INDIANA
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM

PROGRAM OPERATIONS MANUAL
2013-14

Prepared By:
Indiana Housing and Community Development Authority
Department of Energy Programs
30 South Meridian Street
Suite 1000
Indianapolis, IN 46204
(317) 232-7777
www.ihcda.in.gov

Indiana Housing & Community Development Authority

SECTION 400: INCOME SOURCES AND DOCUMENTATION

SECTION 500: INCOME EXCLUSIONS

SECTION 100
INTRODUCTION

The Low-Income Home Energy Assistance Program (LIHEAP) Block Grant is a federally funded block grant offered through the U.S. Department of Health and Human Services (HHS). The LIHEAP Block Grant provides funds to individual states to assist low-income families with the high cost or home energy. Since July 1, 2006, the block grant has been administered by the Indiana Housing and Community Development Authority (IHCDA). The program is managed by the agency's Department of Community Programs. Throughout Indiana, this program is known as the **Energy Assistance Program (EAP)**.

Community based organizations are designated by federal regulation and under contract with the IHCDA as the local agencies administering the Energy Assistance Program. The State has designated twenty-four (24) community organizations to serve as primary intake locations, referred to as "Local Service Providers" (LSPs). These locations will take applications in person, through a mail-in process, or through another subcontractor. These organizations are responsible for eligibility determination and timely submission of payment transmittals to vendors.

The Energy Assistance Program will treat all households equitably when determining eligibility. The program will serve low-income households subject to an energy burden. The program will respond promptly to eligible households with a heating emergency. EAP can provide benefits to off-set the high costs of energy, but does not traditionally have the funds available to pay all of a household's energy costs.

IHCDA will render training and technical assistance to the service providers, as needed or requested. IHCDA hosts an annual training at least 30 days prior to the start of each heating season. Should you have any questions concerning this program, please contact Taura Edwards, Community Programs Manager at taedwards@ihcda.in.gov or (317) 234-5825, or call:

Indiana Housing and Community Development Authority
Toll Free: 1-800-872-0371

101 APPLICATION DATES

The Energy Assistance Program will begin sending early mail-in applications to "at-risk" households and/or households determined needing assistance by local LSPs on September 1, 2013. Those approved applications may be entered into the RIAA system starting on September 6, 2013. Beginning October 1, 2013, LSPs can begin taking appointments for the start of the program on November 4, 2013. There will be no early sign-up in October for "at-risk" or crisis households. All interested persons may seek applications beginning November 4, 2013. Agencies should schedule daily appointments as part of their intake process. No transmittals should be sent to utility vendors, nor Applicant Notifications sent to clients, prior to November 1, 2013.

A statewide program ending date for Heating/Crisis Assistance component has been established as May 16, 2014, or when heating funds are depleted, whichever comes first. A Cooling Assistance Program will operate from June 9, 2014 through August 15, 2014.

102 APPLICATION SITES

A household may apply for Energy Assistance Program through:

- a local LSP serving their county (Note: there are two providers in Marion County);
- a Township Trustee or other LSP subcontractor who has received training from their local LSP and has agreed to take applications; or
- the mail-in application process.

IHCDA must be informed of all local application sites, addresses, phone numbers, and times of operation by **September 6, 2013.** This information should be included in the agency's Grantee Plan Packet submitted to the Community Programs Analyst.

The LSP, or its subcontractor, is obligated to give an application to anyone who requests one. Clients **may not be denied** the right to receive or submit an EAP application to the LSP or any of its subcontractors. The agency will review and determine EAP eligibility based on its available budget.

When the household applies, it is incumbent upon the LSP to make a *timely* and *accurate* determination of the household's eligibility for benefits. After November 4, households must be notified in writing of their eligibility and the amount of their benefit, or their denial, within ten (10) working days of the application's completion, if the application was taken via an appointment. For mail applications, notification of approval or denial must be completed within 60 days of application completion. Copies of the notification letters, either approval or denial, must be included in the client's file.

103 APPROVED APPLICATIONS

A household applies for benefits on the Energy Programs Application form (State Form 14381). Indiana defines an "application" as submitting a completed Energy Programs application form with the applicant's signature, income documentation, utility bills, and verification of dwelling and social security numbers. Application is not setting up an appointment or receiving an application. Once the application has been submitted, the LSP will review for completion, accuracy, eligibility, and approval.

The LSP must ensure that applications are complete and that all applications are signed by the applicant or household representative and the intake worker or authorized signatory of the LSP. If approved, the EAP benefit amount should be determined and recorded on the application. The household is to receive a notification letter for their records showing that they have applied for benefits. The application is not to be sent to the vendor by the LSP. Additionally, all approved households should be given and sign a "**Things for YOU to Remember**" Form (See Appendix A). A signed copy of this form should be placed in each client's file.

Please note that signed "Things for YOU to Remember" forms are not required for mail-in applications.

The application date is the date the agency receives a completed application. Applications should not be processed without all required information to determine eligibility. If the application is processed prior to the completion, the LSP may be required to pay back a portion or all of the benefit during the monitoring visit. Please see Appendix W for a complete list of required documents.

Only approved applicants are protected from disconnection by the moratorium.

The EAP and Weatherization Assistance applications have been combined to ensure that those clients with the highest heating costs but lowest income are referred to Weatherization services. Any household whose application indicates that Weatherization services are needed, such as indicated by a high point total on the 2014 Benefit Matrix scale, must have the application and copies of the income verification passed on to the Weatherization department of the LSP. The agency must identify a weatherization referral on the EAP application.

Any applicant that is at least 151% of the federal poverty level will complete a separate application for weatherization services.

104 INCOMPLETE APPLICATIONS

An application is considered incomplete if the household has failed to provide all documentation necessary to complete the client eligibility review. Agencies are strongly encouraged to enter incomplete applications into the RIAA database. However, this is not required. If the incomplete application is entered into RIAA, then the agency must retain copies of incomplete applications until the monitoring visit has been completed. The household should receive a letter identifying items that need to be submitted to complete the application and include a timeline for submission. The letter should indicate that the file will be denied if the items are not submitted within 60 days. Please note, applicants must submit a new application, with updated income information if their application is incomplete for more than 60 days.

At the end of the heating season, agencies are strongly encouraged to change the application status to “denied” since the application was not processed. To keep track of incomplete applications, the agency should run the Application Status Report in RIAA (See Section 1400 for Reports).

105 DENIED APPLICATIONS

If upon completion of the EAP application, a household is found to be over the income guidelines or does not meet other criteria of the Energy Assistance Program, the household is ineligible for EAP benefits. Within ten (10) working days of completing the application, an ineligible household must be notified in writing of the reason(s) for their denial and advised of the right to appeal the decision at the next level. Mailed applications must be notified of denial within 60 days of receipt. The "**Applicant Notification**” form in Appendix B must be used to notify the applicant of their denial. LSPs must retain documentation of the household's ineligibility and appeal rights notification, in the client's files. (See Appendix B for a copy of the Applicant Notification Letter.) Agencies should retain a copy of the in denied application, at least until the monitoring review has been completed.

106 LSP EMPLOYEE or SUB-CONTRACTOR APPLICATIONS

Applications from households with members employed by the LSP or any of its subcontractors (i.e. Township Trustee) or by employee’s family members or by any board of directors’ member, must have their application approved by the Executive Director of the LSP, or the Executive Director’s designated staff based on the agency’s internal controls. Likewise, any family members of the Executive Director must have their application approved by an active board member.

107 LIFELINE / LINK-UP

Lifeline – Lifeline provides qualified consumers with a discount on monthly service charges for their primary home phone line, even if it is a cell phone.

Link-Up – Link-Up lowers the cost eligible consumers pay for setting up new phone service at their home, including cell phone service.

The Energy Program Application offers clients a reminder to contact their phone carrier for information about this program.

Approved EAP households qualify for Lifeline and Link-Up.

108 MORATORIUM

108.1 Indiana Code on Utility Shutoff Moratorium

The Indiana General Assembly has enacted Indiana Code 8-1-2-121 governing the termination of natural gas and electric service without the customer's request. This law, which first became effective in 1983, states that a utility (municipally-owned, privately-owned or cooperatively-owned) may not, during the period from December 1 through March 15 of any year, terminate residential utility service to any customer who is eligible for and who has applied for the Energy Assistance Program.

Utilities may not disconnect service to EAP recipients if:

- the customer has submitted a complete application and eligibility has been determined by the local LSP or their subcontractor; and/or,

- the customer has furnished proof to the utility provider of his/her application to receive such benefits, or the local LSP has notified the utility in writing.

See the complete Utility Shutoff Moratorium in the Appendix 0.

Who is a covered utility?: A covered utility is an electric or gas utility, including a municipally owned, privately owned, or cooperatively owned utility, then the company qualifies as a “utility” for the purposes of the moratorium law. The definition of “municipally owned utility” means every utility owned or operated by any city or town in Indiana.

Who is a customer?: Any person who has agreed to pay for electric or gas services exclusively for residential purposes is a customer. Receipt of an EAP benefit does not affect someone’s status as a customer.

108.2 Moratorium Qualifications

Any household who has qualified for EAP on or after October 1 cannot have its service disconnected between December 1 and March 15. A "qualified" household is defined as a household that has submitted a complete application to its local LSP or designee, and a staff person at the agency has determined or is determining that eligibility meets the program requirements based on household income, number of household members, and utility bills. (See Section 701 for all of the components of a complete application.)

Simply submitting an application does not automatically make a household eligible. If the local LSP does not have sufficient resources to conduct an eligibility review, then the household is not protected.

108.3 Eligibility without Benefits

Once the household has submitted an application and has been deemed or is being deemed eligible for the EAP benefit, the client is protected under the moratorium, whether a benefit has been received or not. Clients deemed eligible for EAP, but do not have a benefit due to insufficient program funds, will be placed in a HOLD status. All clients deemed eligible, but in a HOLD status, will be placed on a report. That report will be submitted to the utility vendors to ensure moratorium protection. (See Section 1400 on Reporting). Once funding is available, clients on the Hold Status Report will be approved, and the vendors will be contacted about EAP benefits.

108.4 Disconnection Prior to December 1

If a utility has negotiated a payment arrangement with a client who has qualified for EAP and that client violates that payment arrangement before Dec. 1, the utility has the right to disconnect that client prior to December 1, as that client is not yet protected by the moratorium. If the same client has active service as of December 1, the utility may not disconnect that client until March 16.

108.5 Benefit Refusal

A utility vendor may refuse an EAP benefit at any time during the heating season. Benefit refusal does not prevent moratorium protection. A client who has submitted a complete application and is being deemed or has been deemed EAP eligible and has active service on December 1 will receive moratorium protection through March 15.

108.6 Landlord/Tenant Agreements and Moratorium Protection

Based on the utility policy change, utilities are required to be in the name of a household member, age 18 or over, unless the lease agreement requires the utilities to be listed in the landlord's name. Circumstance may arise where landlords and tenants must create a utility payment arrangement to ensure that the utility bills are paid on time. This policy provides clarification on moratorium protection when the payment arrangement between the landlord and client is breached.

If the utility is listed in the landlord's name, but the client has breached payment agreement with the landlord, the landlord may request service disconnection during the moratorium period. Though the client was deemed eligible for EAP assistance, the landlord is the customer of record on the utility bill.

If the utility is listed in the client's name, but the landlord has breached the payment agreement, then the client is protected under the moratorium because the client is the customer of record on the utility bill.

108.7 Disconnection during Moratorium

Regulations allow utilities to disconnect service for a customer otherwise covered under the moratorium in the following circumstances:

- If a condition dangerous or hazardous to life, physical safety, or property exists.
- Upon order by any court, the IURC, or other duly authorized public authority.
- If fraudulent or unauthorized use of electricity or gas is detected, and the utility has reasonable grounds to believe the affected customer is responsible for such use.
- If the utility's regulating or measuring equipment has been tampered with and the utility has reasonable grounds to believe that the affected customer is responsible for such tampering.

SECTION 200
EAP BENEFITS AND SERVICES

Financial eligibility for Energy Assistance benefits (heating, crisis, and summer cooling) is limited to households with a combined annual income at or below **150%** of the current Office of Management and Budget Poverty Guidelines. This is the tenth consecutive year households in Indiana may qualify for assistance with an income up to 150% of poverty.

A new benefit formula was implemented in 1998, which awarded the largest benefits to households with the highest energy costs and the lowest income levels based on family size. The formula was updated for FFY 2012 with the following changes. Thus, heating benefit amounts are calculated by awarding points based on factors within five categories of a benefit matrix. These categories are: ***poverty level*** based on household size, ***dwelling type***, ***housing status***, ***at-risk*** (family) ***status***, and ***fuel source***. The amount of the benefit is computed at a rate determined by IHCDA based on available funding and awarded on the benefit matrix, plus a regional differential, and an additional $75 for the secondary utility needed to keep the heating system operational. A household may be eligible for an additional crisis benefit if the regular benefit is not enough to prevent the crisis situation. The client may receive up to $200 in crisis assistance for regulated utilities or up to $400 in crisis assistance for non-regulated utilities, like bulk fuel, oil, or wood.

<u>All</u> renters where heat and electric are included-in-rent will not be eligible for an energy assistance benefit. No cash assistance will be remitted to the clients.

201 HEATING ASSISTANCE BENEFIT LEVELS & HOUSEHOLD INFO

The benefit computation is completed using the **Energy Assistance Program Benefit Matrix** form (see Appendix C). The matrix sections and instructions follow:

201.1 Household Information

Name of Head of Household:	
SSN or Case No.:	County:
Household Income:	Date of Application:

- Enter household and case identification as indicated.

201. 2 Poverty Level Determination

The Poverty Points are determined by comparing the household's income level and size to the Poverty Guidelines. Points range from 2-6 based on where the household falls on the following chart.

HOUSEHOLD SIZE	<50% Mo.	Yr.	<100% Mo.	Yr.	<150% Mo.	Yr.
1	478.75	5,745	957.50	11,490	1,436.25	17,235
2	646.25	7,755	1,292.50	15,510	1,938.75	23,265
3	813.75	9,765	1,627.50	19,530	2,441.25	29,295
4	981.25	11,775	1,962.50	23,550	2,943.75	35,325
5	1,148.75	13,785	2,297.50	27,570	3,446.25	41,355
6	1,316.25	15,795	2,632.50	31,590	3,948.75	47,385
7	1,483.75	17,805	2,967.50	35,610	4,451.25	53,415
8	1,651.25	19,815	3,302.50	39,630	4,953.75	59,445
Add Member	167.50	2,010	335	4,020	502.50	6,030
POINTS:	**6**		**4**		**2**	

CATEGORY	FACTORS	POINTS POSSIBLE	POINTS AWARDED
Poverty Points	From Chart Above	2, 4, 6 points	

- Compute the household's gross annual income.
- Locate the point on the chart where the income and household size falls and circle the amount and the number of points to be awarded.
- Enter the number of points on the matrix under Poverty Points.
- Note: The OMB poverty guidelines were updated on July 19, 2013. The poverty guidelines will remain the same during the heating season and change at the start of the summer cooling program on June 1, 2014.

201.3 Dwelling

Dwelling points are awarded based on the relative cost of heating three types of dwellings.

CATEGORY	FACTORS	POINTS POSSIBLE	POINTS AWARDED
Dwelling	Mobile Home Single, Site Built Duplex or Greater	2 2 1	

- Award two (2) points if the household lives in a mobile home;
- Award two (2) points if the household lives in a single, site built dwelling;
- Award one (1) point for households living in a duplex or multiplex (apartments);
- Maximum points are two.

201.4 Housing Status

Housing Status points are awarded to factor in whether the household is responsible for all of its utility costs or receives assistance in meeting those costs. Clients may be classified as subsidized or non-subsidized. Subsidized housing is defined as a dwelling that is receiving financial assistance from a government funded program toward the monthly rent payment. Rental assistance may include a utility allowance toward the utility monthly bills, but the utility allowance is not required to be considered subsidized.

Rural Development-funded properties are considered subsidized if the funding source provides a monthly rental payment. Other programs that may provide monthly rental assistance are, but not limited to, HOPWA, HOME TBRA, and HOME AGAIN, which are IHCDA funded programs. Local municipalities may have their own rental assistance programs that provide a monthly payment amount. Those programs are included as well.
Section 42 funded properties are not considered subsidized. Section 42 clients are eligible for crisis assistance.

CATEGORY	FACTORS	POINTS POSSIBLE	POINTS AWARDED
Housing Status	Non-subsidized Housing Subsidized/ Not Included Subsidized / Included	2 0 0	

- Award two (2) points if the household pays its own heat utility costs (included or not).
- Award zero (0) points if the household pays its own heat utility cost but the rental cost is subsidized.
- Award zero (0) points if the household's heat utility cost is included in their rent and is subsidized.
- Maximum points are two.

201.5 At-Risk

The At-Risk households for the Energy Assistance Program include the elderly (60+), the disabled, and those households with children 0 to 5 years old. (See Section 302.6)

CATEGORY	FACTORS	POINTS POSSIBLE	POINTS AWARDED
At-Risk	Elderly, disabled, and/or children 0-5 years old	3	

- Award three (3) points only if the household has a member who fits one of the At-Risk factor definitions.

- Maximum points are three.

201.6 Fuel Source

Points are awarded for the primary Fuel Source based on the relative costs of heating with the various types of fuel.

CATEGORY	FACTORS	POINTS POSSIBLE	POINTS AWARDED
Fuel Source	Bulk Fuels (Kerosene, LP Gas, Oil, Wood, Coal) Natural Gas Electric Heating Included	3 3 3 0	

- Award three (3) points if the household uses one of the listed bulk fuel sources.
- Award three (3) points if the household heats with natural gas.
- Award three (3) points if the household uses electric heat.
- Note; award zero (0) points if the household uses any one of the heat sources above but has heat included as a part of their rent.
- Maximum points are three.

201.7 Total Points

Total points are used to determine the amount of the EAP benefits.

<table>
<tr><td colspan="2" rowspan="8">Notes & Comments:

If heat and electric are included in rent, benefit is $0.</td><td>= Total Points</td><td></td></tr>
<tr><td>X $20 dollar amount per point</td><td></td></tr>
<tr><td>+ Electric</td><td>$75</td></tr>
<tr><td>+ Regional Differential ($5, South, $10 Central, $15 North)</td><td></td></tr>
<tr><td>+ Crisis EAP</td><td></td></tr>
<tr><td>+ State EAP Regular (If applicable)</td><td></td></tr>
<tr><td>+ State EAP Crisis (If applicable)</td><td></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td>Intake Worker:</td><td>Date:</td><td>= TOTAL EAP BENEFIT</td><td></td></tr>
</table>

201.7 Total Points, *continued*

- Add all of the points in each category for the Total Points.
- Multiply that amount by $20 per point and enter the subtotal.
- Add the $75 for the Electric utility, which is already on the form.
- Enter the correct Regional Differential of $5 for the South region, $10 for the Central Region, or $15 for the Northern region. (See Appendix J in back for Regional Map.)
- Enter the amount of any Crisis benefit, which the household is getting. (See Section 202 for Crisis benefit rules.)
- Enter the amount of the regular State EAP benefit, which is only applicable to homeowners.
- Enter the amount of State EAP Crisis, which is only applicable to homeowners. (Homeowners may also return for a second Crisis benefit after Moratorium, agencies should update the matrix at that time.)
- Add the amount of the points from the regular benefit, the electric benefit, the regional differential, the Crisis, and State EAP Regular and Crisis (if applicable) to determine the **Total EAP Benefit**.
- If a household's subsidized or non-subsidized rent payment includes the cost of both the heat and electric utility adjust the household's EAP benefit to $0.

201.8 Subsidized Households/Utilities Included

If a household's subsidized rent payment includes the cost of the heat and electric utility, the household's EAP benefit is <u>$0</u>. If the heat and/or electric are paid separately, by the client, that benefit should go directly to the utility. **No crisis dollars should be awarded.**

201.9 Non-Subsidized Households/Utilities Included

If a household's rent payment includes the cost of the heat and electric utility, the household's EAP benefit is <u>$0</u>. If the heat and/or electric are paid separately, by the client, that benefit should go directly to the utility. Crisis dollars may be awarded.

201.10 Completion of the Benefit Matrix Form

Instructions: Complete the form by signing and dating it. Complete the Comments and Notes section as necessary.

202 CRISIS ASSISTANCE BENEFITS

The LIHEAP statute requires that states reserve a reasonable amount of funds each fiscal year for crisis intervention. In Indiana, these funds make up the Crisis Assistance line item in each LSP's budget (See Section 1200). LSPs are required to set aside 10 percent of their budget to assist with crisis applications. Funds budgeted for crisis should be used at the time of application in an energy emergency.

202.1 Crisis

A crisis means an ***energy emergency*** where:

- a household is in imminent danger of disconnection,
- already shut-off, is low on heating fuel, or
- is totally out of heating fuel.

A household that is in imminent danger has received a notice for disconnection from a utility vendor or has a low fuel tank, but has not yet been disconnected or actually run out of fuel.

202.2 Crisis Intervention

The LIHEAP statute requires a timely and effective energy crisis intervention program for households in need of immediate assistance.

<u>Timely Intervention</u> - If the eligible household is experiencing an energy emergency the local LSP and/or its subcontractor must provide intervention that will resolve the crisis **within 48 hours from <u>the time of application</u>**. Assistance must be provided **within 18 hours of <u>the time of the application</u>**, if a life-threatening situation exists. This response must be designed to protect the health and safety of the household members. For the agency's part, the extension of Crisis benefits and other services constitutes a proper response to the emergency. Appointments are scheduled when the first available time slot becomes available, which means some appointments may be scheduled after the crisis timeframe.

Because agencies take applications on an appointment basis, the "time of scheduled appointment" may be later than when the household in crisis contacts the agency. Agency procedures must be in place to address a crisis within the time frames noted above and from the date of the determination by the agency that the household is in crisis. This can be simply accomplished by maintaining open appointment slots each day to address crisis applications.

At minimum, agencies are required to complete the following steps to mitigate a crisis situation.

1) Once a household contacts a LSP about a crisis situation, the agency must schedule an appointment with the first available opening in the appointment schedule. When the appointment is scheduled, the agency should advise the household to contact the utility vendor(s) as notification that an EAP appointment has been scheduled and inquire about payment arrangement options until the appointment is completed.

2) At the appointment, the agency must ensure that the client submits a <u>completed</u> application to expedite the eligibility process.

3) The agency should enter the application to RIAA as a date and time stamp that the application has been submitted. Depending on the level of crisis, the agency has up to 48 hours to mitigate the issue.

4) The agency should determine eligibility as soon as the application is completed. The agency should contact the client if the regular and crisis assistance available is not enough to prevent the crisis and additional payments must be made to mitigate the crisis. The agency should ask the client to provide documentation that the payments were made.

5) Once eligibility has been determined, the agency must immediately contact the utility vendor and client about EAP approval.

Agencies should have written procedures in place for crises that occur during the weekends when agencies are not open.

Monitoring will be verifying proper application of the written procedures during the monitoring visit.

Intervention Strategies - Appropriate intervention on the agencies part includes, but is not limited to:

- ***Crisis Assistance*.** For households whose regular heating benefit cannot assure service (regulated) or guarantee delivery (bulk fuel), the agency must use Crisis Assistance funds to alleviate the situation. Crisis Assistance must guarantee continuation of service or not be offered.

- ***Case Work Activities**.* If the authorized heating and crisis benefits cannot resolve the emergency, the agency must provide services to the household to secure additional funds. These services include referrals to other sources of utility assistance, intervention on behalf of the family with utility vendors, providing budget counseling with an emphasis on maintaining rent and utilities.

- ***Case Management**.* Crisis clients should be referred to the EAP Energy Education component. For more extensive intervention with the family, the LSP should have procedures for referrals to the agency's case management component, i.e. Family Development Consultants, or Family Self-Sufficiency caseworkers.

The Indiana program includes additional benefits and services. Though clients receive moratorium protection between December 1 and March 15, agencies should extend crisis benefits consistently during the entire heating season, including the moratorium period.

202.3 Crisis Assistance Benefits for Regulated Utilities

In addition to the regular benefit, the agency may extend up to **$200** in Crisis Assistance to a household with a ***regulated*** utility energy emergency as defined above. The crisis benefit will be based on the family's circumstance at the time of application. The amount of the benefit will be based on the actual amount needed to restore service or prevent disconnection, up to $200. This applies at any time that the household initially applies; before, during, or after the moratorium period.

To calculate the crisis benefit, the agency will take disconnection amount listed on the bill and subtract the amount of the EAP regular benefit. The crisis benefit amount will be the difference, up to $200 for regulated utilities.

The crisis assistance may be split between the two utilities, as long as the total amount does not exceed $200 for both utilities.

Families receiving less than the $200 maximum are not entitled to any additional amount later in the program. This applies even if the household was not originally in an emergency and did not receive any Crisis benefits at the time of the initial application.

202.4 Crisis Assistance Benefits for Unregulated Utilities

In addition to the regular benefit, the agency may extend up to **$400** in Crisis Assistance to a household with an ***unregulated*** utility energy emergency, as defined above.

Households that use bulk fuel vendors are not covered by moratorium protection and may be in an energy crisis at any time throughout the winter. Crisis assistance for bulk fuel households may be extended up to the maximum ($400), anytime from the beginning of the current year's program until May 16th. This includes offering the maximum crisis at time of application to ensure a minimum delivery or prevent the client from coming back for the crisis benefit after the regular benefit is extended. However, clients can receive a regular benefit at the time of application and come back at a later date for the crisis assistance, if necessary and as long as the agency has funds available to offer crisis assistance.

The crisis assistance may be split between the two utilities, as long as the total amount does not exceed $400 for both utilities.

Some bulk fuel clients have "metered propane tanks". The metered propane tank is a computerized bulk fuel tank that is controlled by a centralized computer system. Clients have an automated delivery schedule based on the amount of fuel in the tank, time since the last delivery, and outside temperature. The client receives a monthly bill that is based on the amount of fuel used within a 30- day window.

Clients who fall behind on their monthly bill will receive a notice of disconnection with a disconnection amount. If the disconnection amount is not paid, the tank will be turned off from the centralized computer. The client does not switch to a "cash for delivery" contract. The bill must be paid before the tank is turned back on. Clients with these types of tanks are still considered unregulated and are eligible for up to $400 crisis assistance. Crisis assistance must be allocated, based on the amount of the bill at the time of application. According to the Indiana Code, these clients are not eligible for moratorium protection.

202.5 Budget Plans and Payment Arrangements

Clients with regulated utilities on a budget billing plan are ineligible for crisis assistance since the monthly utility bill is being maintained by a pre-arranged payment plan. If the client breaches that plan, the client must provide a disconnection notice to be eligible for crisis assistance.

Clients who have a payment arrangement with their utilities are ineligible for crisis unless they produce a disconnection notice that the payment arrangement has been breached.
Clients with unregulated utilities who have a budget payment plan are ineligible for crisis. The budget payment plan contract is designed to assist clients with controlling their energy burden. The payment plan ensures that clients receive bulk fuel deliveries on an automated schedule, as opposed to calling when the tank is low.

If a client falls behind on payments to the plan, the payment plan is dissolved and the client is placed on a "cash before delivery" basis. The client should receive a notice stating that the bill is past due and will not receive an automatic tank refill. At this point, the client must submit documentation for crisis up to $400. Budget payment plan clients are eligible to come back at a later date for crisis assistance, if they provide documentation that they have breached their budget plan agreement.

202.6 Outreach

According to Assurance 16, Energy Assistance Programs may budget up to five percent of their program funds toward outreach, needs assessments, counseling, and activities that encourage households to decrease their energy burden. In Indiana, this assurance is met through Outreach and EAP Social Services. Agencies are allowed to budget up to three percent of their program funds toward "Program Support". EAP Program Support funds (See Section 1200) may be used for traditional outreach activities designed to increase awareness of and participation in the program, activities such as:

- Staff activities in the delivery of general information about EAP, as well as other energy-related programs;
- cost of materials such as EAP program pamphlets, energy education information;

- postage for mail-in applications;
- maintenance of seasonal outreach sites;
- Energy Education expenses as it relates to community outreach efforts; and
- overhead costs associated with these activities.

A goal of the program is to increase the participation of at-risk families, by providing outreach that should be directed toward the elderly, disabled, and households with young children.

202.7 EAP Social Services

EAP funding may be used for a range of social services, everything from short-term crisis intervention to long-term services under the Family Development Plan.

Agencies are encouraged to examine the way in which households are evaluated at intake for further services beyond the provision of the utility assistance benefit and to have in place referral procedures to other areas of the agency, or to other agencies in the community, for delivery of those services.

Assurance 16 (outreach and social services) funds may be used in longer-term activities with Energy Assistance families as established in the LSP Family Development Plan, including case management in the areas of:

Energy/Energy Education	Adult Education
Employment	Health
Housing	Child Development and Education
Transportation	Nutrition
Income Maintenance	Family Relations/ Domestic Violence
Support Systems	Alcohol and Drug Abuse

Many LSPs have been working to strengthen their case management function. Through training and cost allocation, agencies have enhanced their ability to provide social services to EAP households. Through Indiana Family Development Program with INLSP, agencies can develop staff equipped to respond to families in need of case management.

By combining funds such as CSBG, higher reimbursement rates from Housing Choice Voucher's Family Self-Sufficiency, Weatherization client education funding, and other sources, agencies have an opportunity through cost allocation to fund social service positions to work with EAP households on an intensive basis.

An agency that will provide services using the Family Development process, may budget up to 2% of the agency's contract for such activities.

(See Section 1200 for additional requirements for the use of "Program Support" and "Family Development" funds.)

202.8 Weatherization Assistance Program

Households with income up to 200% of poverty should be completed, and the applicant told that their household may still be able to receive weatherization services. In the RIAA software, agencies must refer these clients to the Indiana Weatherization Assistance Program for additional services and assistance.

203 EAP BENEFIT PAYMENTS

EAP benefit payments are made to the utility vendors on behalf of the eligible household for current utility accounts or past due utility accounts. (Transactions involving home energy payments are no longer exempt from the state gross retail sales tax. The LIHEAP sales exemption rule lasted from July 1, 2006 to June 30, 2009.

Vendors include:

- **Regulated Heating and Electric Utilities** who provide electricity and/or natural gas.

- **Bulk Fuel, LP, and other non-regulated vendors** who provide Fuel Oil, LP Gas, Coal, Wood, or Kerosene. The delivery fee for LP gas, wood, coal, kerosene, or fuel oil should be part of the benefit.

Vendors are not allowed to deduct sales tax from the LIHEAP benefit. All sales tax should be applied to the client's utility bill.

When applying benefits, agencies should apply benefits in the following order:

- Regular Benefits
- Crisis Assistance
- State EAP
- State EAP Crisis Assistance
- 2nd State EAP Crisis Assistance (if necessary)

203.1 Application of the Regular EAP Benefit

Once the total benefit amount has been calculated using the Matrix, benefits will be allocated as follows:

- $75 will be given toward the electric benefit
- The remaining portion of the benefit will be given to the primary heating source

If the primary heating source is total electric, then the entire benefit will be given to the electric utility.

If there is an additional amount owed by the household, on the heating and/or electric source, a crisis benefit may be used to pay it. To be eligible for the crisis benefit, the household must have lost service, or be in danger of losing service by providing a utility bill with a "**disconnect**" amount showing. The allowable crisis benefit is the actual amount needed to maintain or restore service, up to the maximum crisis benefit of $200 for regulated fuel or $400 for bulk fuel. The agency must show in the client file how the crisis award was determined.

As with regular benefits, crisis benefits may be used to pay on both the primary and secondary utility. The crisis benefit may be applied to the heat or the electric utility bill, or split among the two as the agency deems appropriate with a total maximum of $200 offered for regulated customers or $400 for bulk customers.

The utility must be listed in the name of a household resident, age 18 and older. A household application may be approved only <u>one</u> time during the heating season.

A household must apply at the local office of their primary residence or at another site authorized by the LSP.

The purpose of EAP funds is to ensure that the clients have utility service during the winter months. The agency will ensure that the benefit amount, with crisis, is enough to prevent disconnection and maintain regular service. If the benefit amount including crisis is not enough to prevent a disconnection, the client will be asked to make a payment to the utility vendor for any past due amounts or deposits before the pledge is made. The agency reserves the right to refuse a benefit if the pledge amount is not enough to maintain active service and the client lacks the funds to pay the remaining balance or subsequent deposits.

203.2 Application of Regular Benefits on a Credit Balance

If an applicant household has a credit balance in excess of $500.00 on one of the **regulated utilities only** at the time of the application, they will not be considered eligible for assistance to that bill until the credit balance is under $500.00. The client is eligible for the benefit that meets other program requirements. Once the credit balance is under $500, then the client can come back and request the benefit.

If the client's credit exceeds the $500 limit for a regulated utility, then the client may request to waive the benefit and add the funds to the other benefit. The waiver must be approved by the agency's Program Manager and a waiver form must be completed. Each agency must create a waiver form. A copy of the waiver must be located in the client's file. Upon approval, it must be explained to the client that he/she will be ineligible for additional benefits until the next program year.

If the client has a credit balance on the **unregulated utilities**, the client is eligible for both the heating and electric benefits, regardless of the credit balance. A sample waiver can found at Appendix X.

203.3 Application of Regular Benefits on an Inoperable Heating Source

If the heating source for which the home is designed is not operable either due to disconnection or mechanical failure, the regular benefit should not be provided to the applicant, even if they are heating with electric space heaters or other unsafe alternatives. The client is eligible for the electric credit only.

In these instances, the client may not waive the heating benefit in order to receive a larger electric benefit. If the heating source is later deemed operable, during the program year, the client may return for the regular benefit for which they qualified.

203.4 Electric Utility Payments

Even though a household may not depend on electricity as a source of heat, it is generally required to operate the heating appliance. Thus, to maintain heat it is important that the electric utility also be kept on. The benefit matrix adds $75 for the electricity.

In the instance that a household does not have electric service, the household is not eligible for the additional electric benefit.

It is the intent of the program that $75 be the amount allocated from the regular benefit to the electric utility. The agency may not apply more regular benefit dollars to the electric utility and less to the heat.

However, up to the maximum of $200 for regulated utilities (or $400 for a bulk fuel heated household) in crisis benefits may be applied to the electric utility if it is not the primary heat source and the crisis amount is warranted. Again, the agency must show in the client file how the crisis award was determined.

203.5 Heating with Wood

For eligible households using wood as their primary heating source, agencies should ensure that households receiving wood meet the following criteria.

- Wood: all wood vended for EAP must be of a good density, such as cherry, hickory, oak, beech, birch, and ash. Types of wood not recommended are maple, elm, gum, sassafras, tulip, aspen, white pine, or poplar. In addition to these woods, IHCDA recommends that no green wood in more than 1/3 to 2/3 seasoned ratios be accepted for delivery to a household.

- Rick: a measurement which is 4' x 8' by 16" - 20" deep.

- Seasoned Wood: at least one year old and dry.

Wood costs are not covered when it is a supplemental heat source.

Clients who heat with wood must be issued a "wood certificate" or voucher by the agency. This would allow the client to select a vendor of their choice. The client and vendor would then complete the "wood certificate" upon product delivery, and the vendor would return the voucher to the agency for payment.

Applicants who cut their own wood are **not eligible** for heating assistance benefits

204 EAP BENEFIT - UNALLOWABLE PAYMENTS

Energy Assistance payments may not be made for the following utility-related expenses:

- utility reconnection fees or deposit fees;
- past-due bulk fuel bills (unless payment of the past due bill prevents an immediate crisis delivery to the household);
- water or sewage bill;
- direct rent payments;
- tampering charges;
- outdoor security lights;
- appliance service programs charged to the utility bills; or
- appliance payments.

204.1 Limits on Arrears Payments

The energy assistance benefit may not be applied to that portion of a household's utility bill, which is in arrears over one year from October 1st of the current program year. The LSP EAP program manager may waive this rule. The reason for the waiver is to be documented in the case file.

205 DOCUMENTATION OF UTILITY PAYMENTS

Households applying for the Energy Assistance Program must show a utility bill as a part of documenting their need. This bill must become part of the applicant's file. The utility must be listed in the name of a household resident over age 18 years or older. There are three exceptions to this rule: (1) the utilities are listed in the name of a legal power of attorney; (2) lease or landlord affidavit states that the utilities must be listed in the landlord's name; or (3) the client is mentally or physically disabled and the utilities are handled by a company or service that pays for all of the client's needs.

If the utility is listed in the name of a power of attorney, then the client must submit a copy of the legal documentation designating the power of attorney. The copy should be retained in the client's file. To be considered a valid power of attorney in the state of Indiana, the paperwork should contain the following information:

(1) Be in writing.
(2) Name an attorney in fact.
(3) Give the attorney in fact the power to act on behalf of the principal.
(4) Be signed by the principal or at the principal's direction in the presence of a notary public.
(5) In the case of a power of attorney signed at the direction of the principal, the notary must state that the individual who signed the power of attorney on behalf of the principal did so at the principal's direction.

If a household claims that the utility payment is included in the rent, a lease agreement or contract with the landlord stating the landlord's name, address, telephone number, and who is responsible for utilities, is required. If a lease or contract is not available, a Landlord Affidavit must be completed. (See Appendix D for a sample of a **Landlord Affidavit**.) The lease agreement, contract copy, or Landlord Affidavit, must be attached to the application form and retained in the client's file. Intake staff must verify that this information has been submitted and is included in the client's file.

All rental applicants must provide a lease agreement or Landlord Affidavit. A collateral contact by phone to the landlord or management company for verification will be allowable if the household is in a crisis situation.

All utilities should be listed in the name of a household resident. If one utility (either electric or primary heating source) is not listed in the name of a household resident, landlord, or power of attorney, then the client will be <u>ineligible</u> for that utility benefit until the name is switched to a household resident. That benefit cannot be waived. This utility is not eligible for moratorium protection because it does not meet program requirements for approval. The client is eligible for the utility benefit that meets the program requirements and is covered by moratorium protection.

Some bulk fuel vendors may refuse to supply documentation for unregulated utilities. Agencies must provide notes to the client's file that they requested a copy of a receipt or bill, but the request was denied.

206 RENTERS

206.1 Equitable Treatment of Renters

The 1995 Federal LIHEAP reauthorization, and program amendments governing the Energy Assistance Program, clearly states that renters and homeowners must be treated equitably in the determination of energy assistance needs and eligibility.
Households who rent are eligible for the Energy Assistance Program, if they are income eligible and are:

- responsible for payment of heat and/or electric utilities separate from their rent

However, if a household's rent payment includes the cost of the heat and electric, the household does not have an energy burden and <u>will not</u> receive an EAP benefit this year.

206.2 Direct Benefit Payments

EAP no longer makes direct utility payments to individual households.
In the case of a household, where the heat is included in rent <u>and</u> electric is paid separately, no check will be sent to the client for heat but a $75 payment is to be made by transmittal to the electric utility.

Conversely, if the electric cost is included in the rent <u>and</u> the heat is paid separately, a direct check will not be sent to the client for electric, but a payment determined by the matrix is to be made by transmittal to the heating vendor.
Utilities that are ineligible for assistance may not be waived and transferred to the other utility listed on the bill.

207 BENEFIT REFUNDS and OVERPAYMENTS

A <u>refund</u> occurs because a benefit was paid, but the account closed and left a credit. This money is due back to the client from the utility vendor.

If a household moves out of the service area of the current utility company, leaving a credit on the utility bill, which was paid by the Energy Assistance Program, the remaining amount is to be refunded by the utility company to the household. Funds may return to the utility vendors because the client did not provide a forwarding address. The remaining benefits must be returned to IHCDA. If the client does not contact IHCDA for the credit within 90 days of the receipt from the utility vendor, the refund will be reinvested into the Energy Assistance Program and used to fund additional benefits for other clients.

If the client contacts IHCDA for the credit within 90 days of receipt, the client must provide new utility information. The credit will be sent to the new utility vendor. If the client states that he/she no longer has utilities, then the credit will be sent to the client. The client must complete and notarize the refund request form (located in Appendix V). Refunds can take up to two weeks for processing, upon receipt of the completed form.

In case of the death of a recipient, the remaining utility credit becomes a part of the deceased's estate. The estate has up to 90 days from the client's date of death to request the refund. The client's estate must complete and notarize a refund request form (located in Appendix V). Refunds can take up to two weeks for processing, upon receipt of the completed form.

After application, if a household moves out of the services area of their utility company, or otherwise leaves an open account with a balance due, then the EAP benefit may be applied to the balance before any credit is returned to the LSP. It is not the intent of the program to pay on a closed or disconnected account.

An <u>overpayment</u> occurs when it is found that a client was overpaid. There are funds that need to be returned to the program. The funds are removed from the client's account and returned to IHCDA from the utility vendor. The money is not due to the client, nor does it get added back into the agency's budget. Instead, the funds are used to fund other program activities. To collect these funds, agencies will submit an overpayment remittance in RIAA (formerly negative transmittal) as notification for payment. The utility vendor will send the payment along with the remittance to IHCDA. (See Section 600 of the manual about Overpayments)

SECTION 300
ELIGIBILITY AND INCOME STANDARDS

301 RESIDENCY AND CITIZENSHIP REQUIREMENT

The applicant must reside in the State of Indiana at the time of application and for at least one month (or 30 days) of the current heating to be eligible for the Energy Assistance Program.

Current verification of <u>residency</u> and <u>service address</u> must be verified at each application and reapplication for benefits. These two addresses must match to qualify for benefits.

Possible verification sources are as follows (not all inclusive):

- Valid Indiana Driver's License with current address
- Rental/Lease agreement listing the applicant's name and current residence
- Completed Landlord Affidavit form (if applicable)
- Employer's statement or pay stub listing residence address

In addition to the above criteria, all members of the household must be United States (U.S.) citizens, U.S. Nationals or qualified aliens.

A United States citizen is someone born in:

- One of the 50 states
- The District of Columbia
- Puerto Rico
- Guam
- The Virgin Islands
- The Northern Mariana Islands

A United States National is someone born in:

- America Samoa
- Swain's Island

To verify a household member is a U.S. Citizen or National, use any of the following documents:

- Birth Certificate
- U.S. Passport
- Report of Birth Abroad of a Citizen of the U.S. (FS-240) issued by the Dept. of State
- Certification of Birth (FS-545) issued by a Foreign Service post
- U.S. Citizens I.D. card (I-197) issued by the Bureau of Citizenship and Immigration Services (BCIS)

- Certificate of Naturalization (N-550 or N-570) issued by BCIS
- Certificate of Citizenship (N-560 or N-561) issued by BCIS
- Northern Marianas I.D. card (I-873)issued by BCIS
- Statement provided by the U.S. consular official certifying the individual is a citizen.

There are secondary sources of verification which may include religious records, U.S. civil service employment records dated before June 1, 1976, early school records, census records, adoption papers, and any other document establishing or denoting a place of birth.

Non-citizens must provide documentation verifying Resident Alien status to be eligible for EAP benefits. The federal government considers the following to be qualified aliens:

- An alien legally admitted for Permanent Resident Alien Status. I-151, commonly referred to as a "*gree*n *card*".
- An alien granted asylum. Documentation: I-94 or INS letter
- A refugee admitted to the United States. Documentation: I-94 "Arrival Departure Record".
- An alien paroled in the United States. Documentation: I-94 "Arrival Departure Record".
- An alien whose departure is being withheld. Documentation: I-94 and/or order from an immigrations court judge.
- An alien granted conditional entry. Documentation: I-94 "Arrival Departure Record".
- An alien who is a Cuban/Haitian entrant. Documentation: I-151 "*green card*".
- An alien who is a battered spouse or child. Documentation: 1) Veteran-proof of legal entrance in U.S. DD-214 or poof of active military service, birth/marriage certificate; 2) Other-Approval Notice of "Notice of Prima Facie Case" under the 1994 Violence Against Women Act (VAWA).

301.1 Social Security

A Social Security number (SSN) is required for all persons in the household age 1 and older. If not provided, the household is ineligible for assistance until every person provides the information**.**

A SSN can be verified by viewing the SS card, another federal form with the full social security number printed on it, pay stub, or SSA benefit letter. An intentionally invalid SSN entry is unacceptable.

An agency should assist applicants to apply for social security numbers.

The web site for the SSN application form and instructions for applying for a new social security number can be found at: http://www.ssa.gov/online/forms.html (Form SS-5 Application for a Social Security Card).

When a household member exists and cannot provide the intake worker with an SSN at time of application: Enter the household member, fill the space with nines or zeros, and leave the application in pending status until the SSN is verified.

However, after 30 days of application, if the household has not provided SSNs for all eligible household members, a denial letter should be generated. The entire household is ineligible for Energy Assistance if any member fails or refuses to provide or verify their SSN or provide proof of application for a SSN.

Individual Tax Identification Numbers (ITIN) numbers cannot be used in lieu of a social security number.

According to the Social Security Administration, noncitizens may apply for a Social Security number if they have permission to work in the United States by the Department of Homeland Security.

All LSPs are required to retain a copy of the documentation used to verify the SSN. The documentation may be stored in the eligibility file or a separate file. However, the agency must strike out all but the last four digits of the SSN, if the copy is retained in the eligibility file.

302 EAP OPERATING DEFINITIONS

302.1 Household

A household means any individual or group of individuals who are living together as one economic unit for whom residential energy is customarily purchased in common or who make undesignated payments for energy in the form of rent.

Households **do not** include people residing in hospitals or medical institutions, homeless shelters, alcohol or drug treatment centers, battered women and children shelters, transitional dwellings, group homes, or correctional institutions.

Households **do** include people residing in rented or purchased dwellings.

302.2 Head of Household

The head of household is determined to be the person who has the most income based on the agency's income calculations for EAP at the time of application. This is especially important when accepting an elderly application where an additional non-elderly household member declares a larger income. The head of household would change accordingly.

302.3 Energy Burden

Energy Burden is defined as the ratio of the cost of a household's energy divided by their income (*percent* of income spent on energy costs). Through the benefit matrix, various factors are used to determine the EAP benefit based on this ratio and other considerations. In order to qualify for EAP the household must have an energy burden. Therefore a household that cannot establish that it pays a direct utility cost is categorically ineligible for EAP. Residents who pay neither rent nor fuel costs because of an in-kind rental agreement do not qualify.

302.4 Disabled

Disabled means the inability to engage in any substantial, gainful activity, by reason of any medically determinable physical or mental impairment which can be expected to result in death, or which has lasted or can be expected to last for a continuous period of 12 months or longer.

A person may be determined to meet this definition through various methods. The most desirable verification is verification and receipt of benefits by the Social Security Administration (SSA). A household member may automatically be considered disabled if he/she receives one or more of the following benefits:

- Supplemental Security Income (SSI), Social Security Disability payments
- Veterans Disability
- Railroad Retirement Disability
- Vocational Rehabilitation Services
- Black Lung Disability
- Medicaid Disability
- Medical Assistance for Aged, Blind, and Disabled (MAABD)

Disabled Household: A household with any member meeting the definition of Disabled above is counted as a Disabled Household for EAP statistical purposes. Disabled clients may receive Social Security Disability Income (SSDI) or Supplemental Security Income (SSI).

SSDI are earned benefits that are paid to clients with physical and mental impairment that will prevent them from working for at least 12 months or will end in death or the blind. The clients have worked and paid Social Security taxes long enough to qualify. These benefits can be paid to a child or spouse upon death of the client.

SSI benefits are paid to low-income clients who are 65 or older without disabilities but meet the financial limits, disabled adults based on the definition of SSDI, the blind, or children that are blind. This program is designed for people with very limited income and assets.

A client may present a doctor's statement that he/she is disabled. This form of verification is allowable, but is the least desirable. The doctor's statement must indicate that the client is unable to engage in any substantial, gainful activity, by reason of any medically determinable physical or mental impairment which can be expected to result in death, or which has lasted or can be expected to last for a continuous period of 12 months or longer.

If the client presents a doctor's disability statement, then the client must provide a pending SSA application or appeal for benefits. Clients who claim zero income for 12 months must complete an Income Verification Worksheet and provide a wage inquiry.

302.5 Elderly

Elderly means persons 60 years of age or older.

Elderly Household: For EAP statistical purposes the household is defined as an Elderly Household when any member of the household is 60 years of age or older. If an elderly household member is also disabled, the household is counted as *Elderly*, for EAP statistical purposes.

302.6 At-Risk Households

A household is considered At-Risk if it has one or more members in the following categories: elderly, disabled, or a child age zero (0) to five (5) years old. These factors are considered in the benefit determination because they identify households with the highest priority energy needs, as defined in the LIHEAP statute.

302.7 Household Income

The household income is the gross earned income and other unearned income received by all household members age 18 and above during the eligibility determination period. Income means any includable types of payment that is a gain or benefit to the household. All income must be counted unless the income falls within the category of "Income Exclusions". (See Section 500.)

When a household member has turned 18, any time during the year, that member's full, annualized income is determined using the standard formulas in Section 303, Income Computations. If the household member is 18, but still in high school or college full time, then the household member must present a current report card, school schedule, or letter of attendance. The income is not counted for the high school. The income for the college student is counted, if the household requests it. (See Section 504.2) If household member (up to age 18) emancipates, starts a new household and becomes a working adult, then that emancipated person becomes an adult, and the income is counted. (See Appendix Y for a copy of the Indiana Code about Emancipation of a Child.)

302.8 Poverty Level

The terms poverty level and poverty guidelines refer to the federal poverty levels established and revised annually by the Office of Management and Budget. Indiana uses 150 percent, updated by the Office of Management and Budget (updated January 2012). The guidelines are generally updated in January of each fiscal year. However, the updated figures are not implemented for purposes of the Indiana Energy Assistance Program until October 1st of the next fiscal year and changed on June 1st for the summer cooling assistance program, if made available by the federal government.

303 Income Computations

The total household income is used to determine financial eligibility for benefits. Households are eligible with an income of 150% of poverty or less. The income computation is used to compute points on the benefit matrix.

All income should be documented on the Income Verification Worksheet or using the RIAA Calculator.

303.1 Computation of Earned Income

Earned income (See Section 401.1) or fluctuating income must be verified by the following method and converted to an annual figure for the eligibility determination:

- Twelve (12) months of income directly preceding the application date and must include the month of application.
- This income should be documented in Section 3 of the Income Verification Worksheet.

Income may be verified using one of several sources to include: a paystub, wage inquiry, or written statement from an employer.

To calculate income using a paystub, use the following formula:

Step 1: Gross year to date income is divided by the pay month. This total equals the estimated monthly income

Step 2: Take the estimated monthly income amount times 12 (months). This total is the annual income amount.

Please note: If the pay month is December, take the gross year to date income only.

To calculate using a wage inquiry, use the quarters that correspond to 12 months prior to the application date. Wages are listed by quarter and year. The first number is the quarter, and the second number is the year that wages were reported. See the following example.

1/2- First Quarter 2012 or January through March
2/2-Second Quarter 2012 or April through June
3/2-Third Quarter 2012 or July through September
4/2-Fourth Quarter 2012 or October through December

If there is an instance where you need one or two months instead of the entire quarter:

Step 1: Take the total amount of all income listed for that quarter.

Step 2: Divide the quarter by three (3), or three months

Step 3: Multiply that amount times the number of months needed (one or two)

Do not split months in half and do not split quarters into weeks or days.

303.2 Computation of Unearned Income

Unearned (See Section 401.2), fixed or non-fluctuating income may be computed in the method above, or by:

- computing the annual income based on the current month's income times twelve (12).
- This information should be documented in Section 3 of the Income Verification Worksheet

If a client receives a cost of living or payment increase, you will need to adjust this income calculation. You must use this income calculation:

Step 1: Take the original amount times the number of months received

Step 2: Take the new monthly amount times the number of months received

Step 3: Add these two totals together

For example, social security recipients may get a cost of living increase in January of each year. You will take income received through December at one amount and income received starting in January at the new amount.

Note: All income should be calculated based on the application date (for appointments) or the receipt date (for mail-in applications). Therefore, use the documentation provided by the client.

1) The client does not provide two monthly amounts. The client provides the most recent information from SSA (i.e. they did not provide proof of a cost of living increase by sending the old and new payment information); or,
2) The application was received prior to the cost of living increase (i.e. application received in November, but processed in January)

If the agency receives all of the documentation after the mail application has been received, the application date should be the date that all of the documentation was received.

304 HOUSEHOLD UNIT CONSIDERATIONS

304.1 Births

Household members born any time during the twelve (12) months prior to the date of application shall be counted as members of the household for the entire twelve (12) months. If a household member is pregnant and can provide a medical statement that the child will be born prior to May 17, 2013 then the unborn child may be counted as a household member.

Similarly, for a new Summer Cooling Program applicant, a child projected to be born prior to August 31, 2014 may be counted as a household member.

The household is awarded points under the At-Risk category based on this child.

To consider a newborn under the age of 1, without a social security card, as a household member, a verification of birth must be presented.

304.2 Roomers and Boarders

Roomers and boarders are persons renting space within the residence of the energy assistance applicant who do not have separate kitchen and bathing facilities. These persons are counted as household members, and their income is included on the application.

304.3 Full-time College Students

A full-time college student, up to age 23, who is a dependent of a member of the household, may be excluded from the household if the applicant chooses. This means that the person would not be counted as a household member nor would their income be counted. Proof of the student's full-time status must be provided. A full-time student must provide a schedule or letter that he/she is enrolled for 12 credit hours or more per semester. The student must also be declared as a dependent of the household's most recent income tax forms.

304.4 Death of a Household Member

If a household member died during the 12 months prior to the date of application, the deceased member should neither be counted as a household member, nor should his/her income for the twelve (12) month eligibility period be considered.

304.5 Divorce/ Legal Separation

If a man and woman can prove that they have been legally divorced or separated within the past twelve (12) months, then income from the absent spouse may be excluded and the remaining spouse counted as a single person for the full twelve (12) months prior to application.

Proof in the form of a divorce or separation decree, documented proof of a permanent residence for the absent spouse, verification of separation from a member of the clergy or an attorney, or verification from the local DFR office, Township Trustee, or a reliable collateral contact must be presented at the time of application. If proof cannot be shown the spouse must be counted as a household member and all income must be counted.

304.6 Drop-In Household Guests

A drop-in guest is defined as:

- an unexpected or casual visitor; or
- family members, friends, etc., who have resided in the household less than three (3) months and who the applicant certifies will be in the home less than three (3) months of a twelve (12) month period.

Drop-in guests are not to be included on the application. Drop-in guests are not counted as a member of the household or as part of the income calculations. If an applicant wishes to count a drop-in guest as a part of the household, the applicant must wait and apply after the guest has reached the 3-month requirement.

Conversely, if a person resides or is expected to reside in the household more than three (3) consecutive months, that person should be considered as any other household member.

If there is a question on the part of the agency as to the status of any household member the agency may require a collateral contact. This could be in the form of a note or statement from a neighbor, friend or relative as to the living situation of the person(s) in question.

304.7 Marriages

If a household member marries during the twelve (12) months prior to application, their spouse should be included as a household member on the application. The spouse's income is counted fully in the eligibility determination.

304.8 Nursing Home Residents

If a family member is currently in a nursing home and has been there more than three (3) of the twelve (12) month application period, he/she should neither be included on the application, nor should his/her income be counted.

304.9 Foster Children

The household may be given a choice to count foster children in the household. If they are counted then the stipend received for the children is also counted as household income.

304.10 Adopted Children

Starting in October 2012, children who have been adopted must be counted as a part of the household. Any assistance or stipend received for those children should be counted as household income.

304.11 Absent Household Member

An absent adult is defined as one or more of the following:

- An adult not listed on the application; however, the name is present on the utility or lease as a co-applicant for credit purposes.

- An adult or child currently residing in a correctional facility
- An adult currently away from the household fulfilling military duty
- An adult living in a hospice, hospital, or medical facility for longer than 90 days

The household must provide proof of residence for anyone listed on the lease or utility bill, but does not reside in the household. This documentation must confirm that the name listed resides at another address and should not be included on the EAP application.

Proof of residence for the absent household member may include: a letter from the medical or correctional facility, a lease or mortgage document, a bank or credit card statement, utility bill or other documentation with a current address. Hand written notes are not acceptable and the date of the documentation must be within the last 90 days.

SECTION 400
INCOME SOURCES AND DOCUMENTATION

It is the household's responsibility to provide accurate documentation of income. It is the agency's responsibility to assess the adequacy of that documentation and provide the applicant with a list of additional documentation needed to determine eligibility for benefits.

Intake staff will encounter various forms of income documentation, as described in Section 402. The worker should use their judgment, with opinions from their supervisors, in accepting or rejecting specific forms of verification. Most importantly, workers should indicate, in writing to the case file, the reason for accepting documentation that may be considered less than ideal.

401 INCOME

The household income is the total income received by all household members age 18 and above, during the application period. This distinction is used on the benefit matrix to determine the total points for benefits. (See Section 504.2)

401.1 Earned Income

Earned income is payment received as a result of a person's work, including but not limited to:

- wages (including wages from sheltered workshop employment);
- salary, tips, bonuses, commissions;
- self-employment income;
- income from rental of property;
- profit from a business;
- blood plasma payments; and
- other taxable income.

401.2 Unearned Income

Unearned Income is payment for which there is no corresponding performance of work or services, including but not limited to:

- Worker's compensation;
- cash assistance payments such as Supplemental Security Income (SSI), Temporary Assistance to Needy Families (TANF), Unemployment Compensation Benefits (UCB);

- disability payments such as Social Security Disability, Veterans Disability;
- annuities, pensions and other retirement payments such as private retirement plans;
- Social Security (SS);
- alimony payments;
- strike benefits;
- profits or gains from the sale of assets;
- proceeds from insurance settlements;
- winnings, prizes, and awards;
- gifts and inheritances;
- contributions directly paid to a household member; and
- other unearned income.

Because most of unearned benefits remain the same in a given year, they are frequently referred to as "**fixed**" income.

Lump sum Social Security and Supplemental Security Income (SSI) payments may be excluded from income calculations (See Section 502.3).

401.3 Zero Income Claimants

A zero income claimant is an applicant that declares he or she has received no earned, unearned, or incidental income during the 12 months prior to the application date. <u>Each person</u> over age 18 that claims no income for 12 months must validate that no income was earned and how living expenses were met during that period.

Each zero income claimant in the household, ages 18 and older, must complete the *Zero Income Claimant Form* to confirm that there were no wages and how living expenses were met. In addition to completing the form, each claimant must provide supporting documentation to corroborate that no income was earned. This supporting documentation can be: a wage inquiry from the Department of Workforce Development or a signed statement from another social service agency attesting to that person's situation. If validation from a social service agency is not attainable, then the EAP Program must approve the usage of verification from a relative, a neighbor, or a friend substantiating the person's situation.

The *Zero Income Claimant Form* is located in Appendix R. All zero income claimants must complete this verification form and provide supporting documentation to confirm that no income was earned. Once the zero income claimant has provided sufficient documentation, then the LSP may proceed to serve the household.

If upon further inspection by the LSP, IHCDA Staff, or EAP Program Monitors, it is discovered that the household has unreported income resulting in a change to the applicant's income, then the benefit will be reduced by the amount of income that was discovered. If the unreported income exceeds the Poverty Guidelines, then the LSP must attempt to stop the assistance payment. If assistance has already been given by the vendor, then the LSP must notify the household, in writing, of the ineligibility and submit an overpayment remittance to recoup the funds from the utility vendor.

Zero income claimants should be given a priority in case management services offered by the agency under EAP Family Development or other programs.

402 TYPES OF EARNED INCOME AND DOCUMENTATION

The following section outlines the different types of earned income and the proper documentation needed for their verification.

402.1 Employment Income

Employment income includes all gross wages, salaries, commissions, bonuses, profit sharing, cashed out vacation or sick pay, and tips of an employee. There are several allowable forms of documentation to verify employment (see Section 303 regarding the methods of computing gross income), including:

- pay stubs identifying the person whose income is being considered (i.e., social security number or name) and showing the income for the period being considered for the computations;

- a letter from the employer stating the income for the period being considered for the computations;

- a W-2 Form for the previous year's wages. (This documentation can be used by itself only for applications in the months of January, February, and March and thru April 15th of the current heating season). **Use Box #1**.

402.2 Incidental, Unreported Income

Earned income that is not reported for tax purposes is nevertheless included in the calculation of the household's gross income. This income must be verified. Applicants may claim this income using the Income Verification or the Income Self Declaration Form in Appendix R.

402.3 Profits from Self Employment

Self-employment income is an individual's income from a private trade or business (including farming). The person’s adjusted gross income is calculated using the IRS Schedules listed below, allowing for certain business deductions, as computed as self-employment income under Federal income tax law.

If a household reports a member who is self-employed, their income must be verified by the Internal Revenue Service (IRS) Tax Form 1040 for the most recent, complete calendar year. Most recent is defined as taxes that were filed by April 15 of the current program year. If the applicant applies between April 15 and December 31, then the client must provide tax returns that were filed by April 15 of that year. If the client applies between January 1 and April 15, then the client may provide tax returns from the previous year. If the applicant cannot produce the most recent tax return, the applicant should self-declare income for the previous 12 months.

(See copy of 1040 form in Appendix E). The adjusted gross income is listed on the last line of the section on Form 1040 labeled “**Adjusted Gross Income”.**

In addition to the Form 1040, applicants must provide one or more of the schedules to complete the self-employment verification.

Schedule	Form
Form 1040	U.S. Individual Income Tax Return
Schedule C	Profit or Loss From Business
Schedule E	Supplemental Income and Loss
Schedule F	Profit or Loss From Farming
Schedule SE	Self-Employment Tax

Note that Form 1040 also has information on other income that a self-employed person may have had in the section labeled “Income”. This amount will have been computed in the Adjusted Gross Income, already.

Self-employed clients with a $0 Adjusted Gross Income are not required to submit a wage inquiry from DWD.

If the client provides a tax return that is outdated, then the agency may use the business income reported on that tax return but require the client to provide more current wages, if necessary.

If the client's tax returns indicate that wages and business income were received, then the client must provide W-2s for the wages as well as schedules for the business income.

402.4 Income from the Rental of Property

Income from the rental of property is considered earned, self-employment income and is determined using the methods in Section 402.3, above. This income may be documented on the Income Verification Worksheet as undocumented income or the Income Self Declaration Form located in Appendix R.

402.5 Contract Sale of Property

Income received in installments from the sale of property is counted as earned income. This income is handled in the same way as self-employment income in that certain expenses may be deducted from the cost of producing the income.

Only income based on an actual contracted sale may be counted using this stipulation so the agency should actually see the contract for documentation. Otherwise, the income is counted as rental income.

The income may be verified using the methods in Section 402.3, above.

403 TYPES OF UNEARNED INCOME AND DOCUMENTATION

403.1 Assets - Sale of Assets

Profits or gains from the sale of assets are counted as income. See Section 404 regarding the computation of unearned income from the disposition of assets.

403.2 Black Lung Disability

When awarded to the recipient while he/she is still living, it should be excluded when figuring income. When Black Lung Pension is awarded to the survivor of the recipient it should be included as income.

403.3 Disability Payments from Insurance

An individual may have insurance coverage that pays a specified amount for a specific period of time during which he/she is unable to work because of a disabling condition. Such disability payments made by an insurance company directly to the individual are counted as unearned income.

Indemnity health insurance plans pay a specified benefit to a person based on the number of days the person is hospitalized. Variations on indemnity health insurance include accident and cancer policies. These benefits are counted as unearned income.

However, the verified and documented amount of the benefit that is used for the payment of medical bills may be deducted from the benefit in computing the household's income.

403.4 Dividends, Interest

Dividends or interest earned on financial assets are counted as unearned income to the extent that they are realized (received) by the owner of the asset. Assets include: savings accounts, interest bearing checking accounts, equity shares (mutual funds and stocks), bonds, and retirement accounts, or other similar accounts.

Dividends and interest from financial assets can be verified by earnings statements from the financial institution. If a monthly statement is presented, take the monthly amount times twelve to annualize. Or, Tax Form 1099 for the previous calendar year is acceptable in the first four months of the current calendar year.

That portion of any savings instrument, which represents the individual's contribution to the principle, is never considered as income. Saved money has already been counted as it was received by the household.

For example, the principal withdrawn from a savings account or other cash asset is not used in income calculations. The principle is the amount of the asset that was contributed by the individual owner of the asset.

403.5 Gambling Winnings

Winnings from any source of gambling or gaming is considered unearned income; including, but not limited to private gambling, the Hoosier Lottery, PowerBall, Mega Millions, horse racing, bingo and other games of chance.

403.6 Military Allotments

An individual may be eligible to receive a military allotment if the spouse, adult child, or parent is in the U.S. Armed Forces. Payments received during a military deployment are eligible income and the person who is deployed should be counted as a household member. Such payments are unearned income and can be verified by a copy of the check, a check stub, or other documents showing the current amount.

403.7 Pensions

Ongoing pension payments are counted as unearned income. They may be available to any household member who has retired from private industry, local or state governments, or the federal government. These payments are the result of an investment in a retirement instrument such as an employer-sponsored plan, a personal 401K plan, or an Individual Retirement Account. Most often, the employee and/or the employer pay retirement funds into an annuity account. Annuities are paid out after the person retires, usually with an option for lump sum payments or periodic payments.

Like Social Security, many retirement funds are also available to persons who become disabled, or to their surviving spouse and surviving minor children in the event of the individual's death.

The most desirable documentation of a pension amount is a check stub. Care should be taken to use the ***gross*** amount of the pension check, since deductions, including income tax withholding, may affect the net. Pensions are usually "fixed", unearned income that may be computed based on one month's check.

(See Section 502.3, Pensions, regarding the treatment of lump sum pension payments.)

403.8 Railroad Retirement Benefits

Railroad Retirement benefits are available to former railroad workers, their dependents, or survivors. Both retirement and disability benefits are available and are counted as unearned income. These benefits are administered by the Social Security Administration, and payments are often combined with regular Social Security if the person is eligible.

These benefits can be verified using the same methods as Social Security. Railroad benefits should be calculated based on the **net amount**.

403.9 Royalties

Royalties include payment for copyrighted or patented property of a household member, such as payments for:

- the right to use copyrighted materials;

- the right to use licensed products;
- the right to use patented items;
- the right to use secret processes, formulae or designs;
- consideration for trademarks and other analogous rights;
- the rights on the use of motion picture films; and,
- for the use of industrial, commercial, or scientific equipment.

Royalties may be documented by statements or by contracts with the entity paying the royalty. Alternately, documentation of a period of income from the royalties may be used.

403.10 Social Security Benefits

Benefits administered by the Social Security Administration include Social Security retirement benefits, Social Security disability benefits, Supplemental Security Income assistance, and Railroad Retirement. Including but not limited to recurring, regular and underpayments.

To verify Social Security income, the following documents should be used in this order of importance:

- Copy of the Social Security Award Certification Letter.

- Most recent direct deposit statement from a bank.

- Copy of the most recent Social Security check.

- Copy of the most recent tax forms or tax returns (Note: 1099s are eligible documentation)

- A letter from the bank verifying receipt of a deposit from the Social Security Administration. The letter should include the deposit amount and date of receipt.

- A lump sum Social Security awarded for back payment may be used to calculate income. Determine the amount by pro-rating the entire award and then consider the most recent twelve (12) months.

- SSA-2458, Report of Confidential Social Security Benefit Information or written verification from the Social Security Administration (SSA) with a Form L634 (cover letter) attached.

The **net amount** of the Social Security check, after the deduction for Medicare Part B premiums and/or Part D, overpayment recovery, tax withholdings, and child support garnishments, is to be used to compute income.

If the income is calculated using the tax form, then the agency should use the **"amount paid via check or direct deposit"**.

403.11 Strike Benefits

A union may award strike benefits to employees who are striking against their employer. Strike benefits are counted as unearned income. They may be verified by statements from the union, or by a check copy or stub.

403.12 Temporary Assistance for Needy Families (TANF)

TANF replaced several forms of welfare assistance. For income calculation purposes consideration is only given to the cash assistance award that was previously awarded under the AFDC program.

Acceptable proof of this income would include a copy of the most recent TANF check, a TANF award letter, or any other form of verification from the local office of the Division of Family Resources.

Income is calculated for the 12 months prior to the application date. The start date of TANF should be considered when calculating this benefit. Only the months that are applicable to the 12-month period should be considered.

403.13 Unemployment Compensation

Unemployment Compensation Benefits (UCB) are unearned income that is available to individuals who have a recent, covered work history and are currently available for employment.

UCB may be documented by weekly pay stubs. The gross amount of the check is on the check stub. It is the **gross benefit** that should be used to compute the household member's income. The gross benefit amount is identified as the "weekly benefit amount", or WBA. There also may be a $25.00 per week stimulus addition that should be counted. Note that the net amount of the weekly check is after applicable deductions; such as federal income tax withholding, child support, and garnishment.

UCB may also be documented using one of the following forms.

- **Claim Index Inquiry**- Use the WBA to calculate income.
- **Voucher History Inquiry**- Use the Benefit Pay Amount.
- **Claim Master Inquiry**- Use the Original WBA.
- **Wage or Benefit Transcript**- Use the WBA for unemployment and the wages for documenting income (if applicable).

For inquiries that document weekly transcripts, the agency should use the positive payment amount, unless the documentation indicates that funds were retracted during the same period.

UCB may also be documented by a letter which is issued to the claimant by the Department of Workforce Development (DWD) which states the total amount of money available under their claim and the length of time it is to be paid out. However, this letter only indicates the amount the claimant may receive. If there are issues regarding the circumstances under which the claimant separated from employment, those issues may prevent or postpone the individual's actual receipt of benefits.

If a client receives benefits on a debit card, agencies may request a debit card statement as documentation of benefits. UCB recipients also receive a tax form 1099G from the DWD showing the previous year's draw of benefits.

403.14 Veteran's Benefits

A copy of the most recent benefit check, an entitlement letter, or a statement from the Veterans Administration is all acceptable documentation of VA benefits. Periodically, VA makes cost-of-living adjustments (COLAs) to VA compensation and pension benefits to ensure that the purchasing power of VA benefits is not eroded by inflation. Under federal law, the cost-of-living adjustments to VA's compensation and pension rates are the same percentage as for Social Security benefits. You can learn more about COLA's on the Social Security Administration's COLA webpage.

403.15 Worker's Compensation

Worker's Compensation may be awarded to an injured employee or his survivors under state and federal statute. Benefits are paid either in a lump sum or, more likely, as a monthly payment. Benefits are counted as unearned income.

Worker's Compensation is either paid by an insurance company or by the employer out of a self-insurance fund. In either case the individual should have an "Agreement to Compensation" form which states the amount of the benefit.

Worker's Compensation can also be verified by calling the Worker's Compensation Board of Indiana at (317) 232-3808. Agencies will be asked if they have a release of information form signed and on file.

403.16 Life Insurance Payments

Life insurance payments of a regular basis to a surviving household member should be counted as unearned income.

404 ASSETS - SALE OF ASSETS

Profits or gains from the sale of the assets of an individual household member are counted as income. Losses from the sale of assets are disregarded in the calculation of income.

404.1 Definition of Assets

For purposes of the Energy Assistance Program assets include:

- equity shares (stocks);
- bonds;
- savings;
- retirement accounts;
- personally-owned real estate and/or dwellings that are *not* the households primary place of residence;
- personally-owned real estate and/or dwellings that *are* the households primary place of residence (but see Section 404.6 below);
- household furnishings;
- personal vehicle(s);
- coins, stamps, or other valuable collections;
- gems and jewelry;
- gold;
- silver; and/or,
- other items of value.

404.2 Calculation of Asset Income

Assets may produce income in two ways. Some assets, such as savings or investments produce ongoing income from interest or dividends. This income is counted as it is received. (See Section 403.5, Dividends and Interest.)

Assets also produce income when they are liquidated, sold or otherwise disposed. The resulting income is counted for the eligibility determination for EAP. However, certain deductions or exclusions are applicable in determining the countable gain or profit.

The determination of the gain (or loss) from the sale of an asset is based on this example:

$10,000	the original purchase price of the asset
- 4,000	Depreciation to the value of the asset
= 6,000	the current value of the asset
- 500	other allowable deductions or exclusions
+7,000	amount received for the asset
$1,500	gain (profit) or loss from the asset sale

404.3 Loans Against an Asset

Gains derived from the sale of an asset which are subsequently utilized to discharge the balance of a debt on the asset are deducted when computing the income from the sale of the asset.

For example, an individual sells a car for $6,000 and still owes $3,000. The amount still owed on the car, which can be documented, is deducted from the amount received for the car when calculating income.

404.4 Depreciation

The amount of depreciation of an asset is deducted from the original cost of the asset before computing the gain received by disposal of the asset. Put more simply, the intake worker should use the current value of the asset when calculating the income from the disposition of the asset.

For example, an individual purchases a car for $10,000 and drives it for 3 years during which time it depreciates in value by $4,000. The amount of depreciation is excluded in the income calculation. (The depreciation of the car is actually computed by merely looking up the current value of the car.) The current value of the car is then $6,000. The individual then sells the car for $7,000, but there were $500 in fees associated with the sell. So the gain on the sale of the car is $500.

404.5 Fees For the Sale of an Asset

The fees necessary for the sale of an asset are deducted from the proceeds of the sale when computing gain from the sale of an asset. Such fees are limited to broker's fees, real estate agent fees, or other reasonable and necessary fees paid to an intermediary by the asset seller. Deductible fees *do not* include the individual's incidental or personal expenses for the sale.

404.6 Sale of a Residence

If a household member has sold "homestead" property, that is real estate and/or a dwelling in which the member resided, the profit or gain from the sale of that asset is counted as income. *Except,* if the household uses that gain for another residence a deduction is made to the extent that:

- the gain was applied to the purchase of another house in which the household member is currently residing; or

- the household member can provide documentation of intent to apply the gain to another residence and is actively searching for another residence.

<u>For example</u>, a residence is sold for its current value of $50,000. The mortgage on the residence of $45,000 is paid off. And, the Realtor's fees of $3,500 are paid. The household has realized $1,500 from the sale. The household member makes a down payment of $1,000 on another residence. The countable income from the sale is then reduced by the amount used for another residence and becomes $500.

404.7 Forced Sale of Assets and Discharge of Debts

Gains derived from the forced sale of an asset, which are subsequently used to discharge a debt, are excluded as income. These involuntary sales of assets are usually supervised by creditors and may precede a threatened foreclosure or bankruptcy.

Any portion of the gain not used to discharge a debt is to be considered income.

404.8 Sale of Assets of a Business

The assets held by and disposed of as a part of a household member's business are not a part of their personal income calculation. Those transactions would be considered in the calculation of their business profit or loss. (See Section 402.3)

404.9 Asset Tests

There is not an asset test or resource limit with the Energy Assistance Program. The total value of a household's assets does not affect its eligibility for benefits. Only the income produced by the assets is used in the eligibility determination.

SECTION 500
INCOME EXCLUSIONS

In computing a household's eligibility for EAP certain types of income are to be excluded. Exclude the following income when determining gross annual household income.

501 LOANS

In general, sums received as a loan to an individual are not counted as income.

501.1 Loans

Loans include, but are not limited to: educational loans, car and home loans, various loans to pay household expenses, reverse mortgages, money advanced on a credit card, etc.

501.2 Reverse Mortgages

A reverse mortgage is a mortgage contract which allows a homeowner, age 62 or over, to borrow a percentage of the appraised value of the home. The homeowner then receives either a periodic payment or a line of credit that does not have to be repaid as long as the person is in their home. Reverse mortgages are essentially loans and are excluded.

502 NON-RECURRING, LUMP SUM PAYMENTS

Non-recurring, or lump sum, payments to a household must be counted as income. See Section 502.3.

502.1 Medical Reimbursement

Reimbursement, from a third party, for medical expenses is not counted as income. However, note that funds paid by a health indemnity plan, for a person in the hospital, may be counted to the extent that it is not used to pay medical bills. (See Section 403.4)

502.2 Insurance Settlements

A one-time, lump sum insurance settlement payment for injury is excluded as income. (However, see Section 403.4 regarding dividends and interest.)

502.3 Retirement

A lump sum pension or retirement payment is included in income to the extent that it represents the employer's contribution and/or interest. The payment is excluded from income to the extent that it represents the employee's contribution. However, the ongoing retirement payments are counted as income. (See Section 403.8)

Lump sum Social Security and Supplemental Security Income (SSI) payments may be excluded from income calculations (See Section 403.10). However, the ongoing amount of such income is annualized, and counted.

Social Security benefits paid to a surviving spouse in the name of the surviving children is counted as income to the household.

502.4 Inheritance

An inheritance received in a lump sum is excluded as income.

502.5 Gifts

Cash gifts of a personal nature that do not represent household support are excluded as income.

502.6 Savings Instruments Principle

That portion of any savings instrument which represents the individual's contribution to the principle is never considered as income. Saved money has already been counted as the household received it.

<u>For example</u>, the principal withdrawn from a savings account or other cash asset is not used in income calculations. The principle is the amount of the asset that was contributed by the individual owner of the asset. (See Section 403.5, Dividends and Interest regarding income from such instruments).

502.7 Tax Refunds

Tax refunds and Earned Income Tax Credits refunds are excluded as income.

502.8 Veterans Reduction Assistance Allowance

That portion of Veterans Reduction Assistance Allowance which represents the veteran's contribution to the allowance is excluded. Veterans who served before December 31, 1977, have not made a contribution toward their benefits. This contribution will not exceed $2,700 and can be identified by the Veterans Administration (VA) when verifying benefits.

To verify benefits call 1-800-827-1000 and provide the applicant's VA file number. A social security number may be used as a last resort. The VA will verify the educational expenses (i.e., tuition, books, fees, transportation) which are excluded from income.

That portion of the allowance which represents the Veterans Administration contribution and which exceeds these educational expenses is counted as income.

502.9 Payments on a Household's Behalf

Payments made by others on the household's behalf are excluded, including payments for such items as car and health insurance payments, payments for rent, or payments for other household expenses made on the household's behalf. Payments must be made directly to the vendors. No money can be sent to the household. If money is given directly to the applicant for any purpose, that is counted as income. Cash gifts are excluded income; see Section 502.5.

503 BENEFITS FROM OTHER ASSISTANCE PROGRAMS

In general, the cash and non-cash benefits received by the household from other social services programs are excluded as income. (Except as delineated in Section 403, Types of Unearned Income)

503.1 Agriculture Commodities

<u>TEFAP</u>: the value of federally donated food commodities acquired through price support operations for school lunch programs or for distribution to needy individuals shall not be considered income for the purpose of determining eligibility for the Energy Assistance Program.

<u>Child Nutrition Program Commodities:</u> the value of food provided under National School Lunch Act or other child related commodities distribution programs are excluded as income.

<u>Elderly Nutrition Programs:</u> the value of food such as congregate dining and home-delivered meals are excluded. (See Section 503.12)

503.2 Black Lung Disability

When awarded to the recipient while he/she is still living, it should be excluded when figuring income. When Black Lung Pension is awarded to the survivor of the recipient it should be included as income.

503.3 Child Care Assistance

Childcare assistance payments on behalf of the household are not considered income to the household. Childcare assistance paid to the household as a childcare voucher is counted. Common types assistance include; Child Care and Development Funds (CCDF), Child Care and Development Block Grant funds (CCDBG), Social Services Block Grant funds (SSBG), At-Risk Child Care, Guaranteed Child Care, and Transitional Child Care.

503.4 Domestic Volunteer Service Act of 1973.

VISTA, ACTION, RSVP, Foster Grandparents, Senior Companion Program, Older Americans Community Services. Payments to volunteers under this act shall not in any way reduce or eliminate the level of eligibility for assistance under EAP. Except when such payments, adjusted to reflect the number of hours such volunteers are serving, are equivalent to or greater than the minimum wage then in effect under the Fair Labor Standards Act of 1938, or the minimum wage under the laws of the State where such volunteers are serving, whichever is greater (minimum wage rate is $7.25 as of 8/1/09). Refusal to accept other work while a volunteer under this Act shall not cause a loss of benefits.

503.5 Food Stamp Act of 1964

The value of the food stamp coupon allotment provided to a household or any of its members is excluded.

503.6 Medicare and Medicaid

Reimbursements to a household for medical expenses are not considered income for the Energy Assistance Program. The premium for Medicare Part B is not included as income.

503.7 Student Grants and Loans

Any grant or loan to any undergraduate student for educational purposes made or insured under any program administered by the United States Department of Education is not to be considered income for the Energy Assistance Program. (This includes federal work-study grants.)

503.8 Victims of Nazi Persecution

Restitution payments made to individuals because of their status as victims of Nazi persecution shall not be counted as income, per Public Law 103-286 signed August 1, 1994.

503.9 Subsidized Housing

The value of a housing subsidy is excluded with respect to a dwelling unit under the United States Housing Act of 1937, the National Housing Act, Section 101 of the Housing and Urban Development Act of 1965, or Title V or the Housing Act of 1949.

Direct payments to the household for utility assistance under these programs are also excluded as income.

503.10 Supportive Services for Employment

The value of supportive services received under various employment and training programs is excluded as income. These programs include; the Job Training Partnership Act, the Personal Responsibility and Work Opportunity Reconciliation Act, the Senior Community Service Employment Program or similar programs.

Supportive services include payments made on behalf of, or through an individual for transportation, health care, special services and materials for the handicapped, child care, meals, temporary shelter, financial counseling, and other reasonable expenses required for participation in the training program and may be provided in kind or through cash assistance.

Note: actual wages earned in employment and training programs are generally counted as income.

503.11 Township Trustee Assistance

All forms of township trustee assistance are excluded as income for the EAP program.

503.12 Older Americans

The value of elderly nutrition programs such as congregate dining, home-delivered meals, Senior Citizens Service Employment Program (Title V), and

Experience Works (formerly Green Thumb) may not be treated as income or benefits for eligibility purposes under the EAP.

503.13 AmeriCorps

AmeriCorps is a network of national service programs which engage Americans in intensive service to meet critical needs in education, public safety, health, and environment. Created in 1993, AmeriCorps is part of the Corporation for National and Community Service, which also oversee Senior Corps and Learn and Serve America. AmeriCorps living allowances and education awards are excluded as income.

503.14 Certain Children of Vietnam War Veterans

VA benefits provided to children of Vietnam Veterans (including adult children) who were born with the congenital defect spina bifida are excluded. Also, effective December 1, 2001 VA benefits to children of female Vietnam veterans born with certain other birth defects are excluded. The monthly monetary allowance is paid at a rate that is based on the child's level of disability. (refer to chapter 18 of Section 401 of P.L. 106-419).

503.15 Economic Recovery Payment to Certain Individuals

A $250.00 payment to recipients of Social Security, SSI, Railroad Retirement Benefits, and Veterans Disability for Pension Benefits shall not be considered income in FY 2013.

504 EXCLUDED EARNED INCOME

In general, earned income is counted. (See Sections 401.1 and 402.) The following earned income is excluded.

504.1 Adult Care Payments

Income paid to care-attendants for care of the elderly or handicapped living in the applicant's household. **Note**: A live-in care attendant related by blood, marriage, or adoption to any member of the household is considered a household member.

504.2 Income of Students

Income of a full-time college student, up to age 23, and who is a dependent, may be excluded if the applicant wishes. If so, that student would not be counted as a household member. Proof of the student's full-time status must be provided.

A full-time student is enrolled at a university, vocational college, business college, or other accredited institution for 12 credit hours or more per semester.

Income from a student still attending high school, up to age 18, is excluded. The student must present a current report card, school schedule, or letter of attendance as verification. Students completing a GED or diploma equivalent are not considered high school students.

504.3 In-kind Payment to the Household

An in-kind payment to a household in lieu of payment for work is excluded from income computations, including:

- the imputed value of rent from owner-occupied housing;
- food or rent received in lieu of wages;
- items received in barter for rent; and
- gifts received from an employer.

504.4 Income of Household Members Under 18

The earned income of any household member under 18 years old at the time of application is excluded from the household's eligibility determination.

If household member (up to age 18) emancipates, starts a new household and becomes a working adult, then that emancipated person becomes an adult, and the income is counted, according to Section 400.

505 ASSETS - SALE OF AN ASSET

The determination of the gain (or loss) from the sale of an asset is based on the current value of the asset and the amount received in the sale of the asset. When a household member sells or liquidates an asset the resulting income is counted, except that there are certain deductions from that sale that are, in effect excluded from the calculations.

It is *important* to also review Section 404, Assets - Sale of Assets, regarding the sale and liquidation of assets.

506 INCOME EXCLUSIONS - NON-CASH BENEFITS

506.1 Employer Paid Benefits

Employer paid or union paid portion of health insurance or other employee fringe benefits are excluded as income.

507 DRASTIC LOSS OF EARNED INCOME

There will be no Drastic Loss of Earned Income in FY 2012.

508 CHILD SUPPORT

Child support income is excluded as an income source. If a client's only source of income is child support, then that client should be treated as a zero income claimant. (See Section 401.3) The client must complete an Income Verification Worksheet and provide supporting documentation.

509 MEDICAL MILEAGE REIMBURSEMENT

Mileage reimbursements for medical expenses is not eligible as unearned income.

SECTION 600
VENDOR NOTIFICATION AND PAYMENT PROCEDURES

In FY2011, the vendor notification and payment procedures were modified to include IHCDA as the third party payment administrator of EAP transmittals. However, the agency is responsible for promptly notifying the eligible household's utility vendor(s) so that the EAP benefit can be applied to the bill.

601 VENDOR MEMORANDUM OF UNDERSTANDING

To become a participating EAP vendor, all utility vendors must complete a Memorandum of Understanding (MOU) with IHCDA. These MOUs are renewed every year. MOUs must be completed in their entirety and include payment (ACH/check) information. Utility vendors are not paid if there is not a completed MOU on file. All vendors are required to complete a W-9 tax form, in addition to the MOUs. If the vendors receive payments totaling $600 or more, then those vendors will receive an IRS tax form 1099 by January 31, detailing the total amount of payments received from the EAP program.

IHCDA facilitates the MOU renewal process. The Community Programs Specialist sends each utility vendor an updated copy of the MOU every year and requests that the information be sent back prior to the start of the new program year.

The MOUs are active for a period of one year upon receipt of the signed form from the utility vendor. A copy of the Memorandum of Understanding is located in Appendix U.

602 EAP VENDOR NOTIFICATION PROCEDURE

602.1 Transmittal Forms

The **Daily Transmittal** form (see Appendix K) is a list of eligible households for whom the vendor applies the EAP financial credit.

The **Transmittal Summary** form (see Appendix L) is a list of processed transmittals from which to pay the vendor for credited utility bills.

602.2 Vendor Notification

The vendor should be notified of client eligibility once the application is fully completed, signed, and approved by the authorized LSP representative. If the household is ineligible or is pending eligibility determination, an EAP benefit amount should *not* be recorded on the application. The vendor should *not* be notified prior to the benefit determination.

The vendor notification procedure is as follows. The LSP will generate the EAP Daily Transmittal Form(s) that will reflect client information obtained directly from the approved EAP application(s).

The purpose of the Daily Transmittal is to notify the vendor of approved households and their benefit awards. This notification should be sent to the vendor on a daily basis if electronic transmission is available. For the Universal Service Program, this is particularly important. Otherwise, weekly submission of transmittals should be the standard.

The EAP Daily Transmittal Form should be fully completed, except for the vendor's signature. The authorized agency representative will sign and date in the appropriate space and send the original to the vendor and maintain a copy for fiscal accountability.

Transmittal(s) signed by the agency representative signifies EAP approval of the listed households and financial obligations to the respective vendor. Transmittals should not be submitted to IHCDA for payment until the signed transmittal is received. All changes to the transmittal should be documented with the signature page.

If the vendor makes corrections to the transmittals, the corrections will be marked on the forms and returned with the signature page. Agencies must make corrections to the clients' information in RIAA prior to submitting the transmittal to fiscal for payment. Once the transmittal has been submitted to fiscal, no changes can be made. The agency will need to send an overpayment remittance to make corrections. (See Section 601.5 for Correcting Transmittals and Section 604 for Overpayments)

Original or electronic signatures are not necessary on electronic transmittals.

Please note that cities, towns, and municipalities require payment receipt before the payment is uploaded to the clients account, according to auditing standards set by the State Board of Accounts. It is important to notify clients that their EAP benefit may take up to 60 days to process and should continue paying their utility bills according to their regular schedules.

602.3 Vendor Processing

The vendor will review the EAP Daily Transmittal to verify the account and to acknowledge the EAP enrollments and benefit amounts. The vendor must report any discrepancies in client name, address, account number, billing amount, or bulk fuel order as soon as possible either by telephone contact or notation on the transmittal.

The authorized vendor (bulk fuel or regulated utility) representative will sign and date the appropriate space and return the EAP Daily Transmittal as soon as possible to the local agency for vendor payment.

The vendor signature on the EAP Daily Transmittal Form certifies that the vendor has acknowledged the EAP enrollment, credited the account or delivered the fuel, and (for regulated utilities) will protect the household under the provision of the "moratorium on disconnection" during the period of December 1st through March 15th.

If the assistance is not completely used, the remaining EAP benefit should be rolled over to the next month and placed on the customer's account as a credit. At the end of the program year, credits will remain on the customer’s account. They are released to IHCDA only if the client’s account is closed (See Section 200 about Refunds and Overpayments).

Once the vendor has processed the transmittal, it is returned to the LSP. When the LSP has received the signed Daily Transmittal from the vendor, the agency must submit a claim via IHCDA Online to request payment be remitted to the vendor within five calendar days of receipt of the signed transmittal. IHCDA will receive the claim and confirms that a Memorandum of Understanding (MOU) has been received from the utility vendor. Wood vendors will need to also provide a copy of a W-9 tax form. Once receipt of the MOU is confirmed, then the payment is processed for payment within 14 working days of receipt. The preferred method of payment is automatic clearinghouse (ACH), or direct deposit. However, vendors may request to receive paper checks, in lieu of the automated payment process.

All payments are processed within 60 days of the completed application.

602.4 Crisis Assistance Benefits

Crisis benefits for households will follow the same vendor notification procedure. Program enrollment can be verified by the EAP application on file at the local agency.

602.5 Correcting Transmittals

Supervisors or override users are the only users that have access to update information on the transmittal prior to submission to fiscal. The utility vendor may send corrections to a transmittal or batch of transmittals when they return the signature approval page. When those corrections are received, the supervisor or override user must go into the client's account in RIAA and update the account or benefit information as needed.
Once the transmittal has been submitted to fiscal, all changes must occur through the submission of additional transmittals or via overpayment remittances.

603 EAP VENDOR PAYMENT PROCEDURE

The LSP will submit the transmittal to the utility vendor for approval. The utility vendor will review the benefit amount, account information, and billing information and will make changes as needed. Once the review is completed, the utility vendor will return a signed Transmittal Summary Form and corrections, if applicable. The Transmittal Summary is a comprehensive report of the transmittal(s) that corresponds with the dollar amount of the payment.

Quality assurance adjustments regarding household eligibility or benefit adjustment should be indicated on the Transmittal Summary Form. The vendor payment package to the LSP should include:

A. Approval of the EAP vendor check amount;

B. Transmittal Summary Form; and

C. Copies of Daily Transmittals (optional if vendor has copy on file).

The LSP will complete the corrections, if necessary. The LSP will submit the approved transmittal(s) to IHCDA for payment.

604 EAP PAYMENT SCHEDULE

Payments for households that use bulk fuel will be made as soon as feasible after the beginning date of the program.

LSPs should begin transmitting to regulated utilities as federal funds become available through IHCDA. Regulated utilities should anticipate first transmittals for eligible clients no earlier than November 1, 2013. Once transmittals are received by the LSPs from the utilities, the transmittals should be sent to IHCDA by the LSPs within 5 calendar days of receipt from of the utility vendors. Transmittals should not be sent to IHCDA for payment until they have been approved, signed, and returned from the utility vendors.

No households will receive a direct benefit check in FY 2014.

Vendors will not receive timely payment if transmittals are not returned promptly to the LSP or if no MOU has been received.

605 TRANSMITTALS FOR CREDITS AND OVERPAYMENTS

As a part of the state's program integrity plan, each agency is required to conduct a quality assurance review on at least 30 percent of its client eligibility files. This review may result in additional pledges to clients for underpayments or in payments to IHCDA overpayments. For more information about quality assurance, see Section 700.

605.1 CREDITS

If the review is completed and it is found that the client was due additional funds, then an additional transmittal is submitted to the vendor for the additional funds.

These additional funds will be paid out of the agency's current allocation. If the agency has spent out all program funds and an additional amount is owed, it must be paid by the local service provider using non-federal funds. Agencies should continue to charge underpayments to their current grant allocation, as long as the funds are available. Additional funds will not be allocated, nor will leveraging funds be available to cover underpayments.

605.2 OVERPAYMENTS

An overpayment occurs when it is found that a client was overpaid. These are funds that need to be returned to the program. The funds are removed from the client's account and returned to IHCDA from the utility vendor. The money is not due to the client, nor does it get added back into the agency's budget. Instead, the funds are used to fund other program activities. To collect these funds, agencies will submit an overpayment remittance in RIAA (formerly negative transmittal) as notification for payment. The utility vendor will send the payment along with the remittance to IHCDA.

Please note that utility vendors have the option to decline the overpayment request because services and/or discounts have been rendered to clients. If utility vendors opt not to pay for overpayments or put charges back on clients' accounts, the agencies will be required to remit the funds back to IHCDA from its private, corporate funds. IHCDA will send a remittance for payment to the LSP.

Agencies cannot pay for negative adjustments to client benefits with federal funds (Leveraging, CSBG, or otherwise). Agencies must pay for the overpayments from their corporate unrestricted funds. Overpayments will be applied back to the block grant, not the individual agency's budget.

605. 3 OVERPAYMENT PROCEDURE

- Agencies will conduct their ongoing quality control review of at least 30 percent of the client eligibility files. The quality review should take place within 45 days from approval of the clients' benefits.

- In the QC Audit template in RIAA, the agency should list the amount of the overpayment in the comments section of the review form.

- The agencies must send a notification to the client stating that a portion or all of the benefit was revoked. The client should be instructed to contact the utility vendor immediately to make payment arrangements. Failure to contact utility vendor may result in a disconnection.

- The agency should immediately contact the utility vendor via Overpayment Notification in RIAA. Overpayment notifications should be sent to the utility vendor only for approval.

- The utility vendor will receive a transmittal form and an overpayment remittance. If the utility vendor approves the overpayment notification, the utility vendor will sign and return a copy of the signed overpayment remittance with a check for the funds requested to IHCDA. The utility vendor will sign and return the transmittal to the agency.

- Upon receipt of the overpayment from the utility vendor, IHCDA will notify the agency that the overpayment has been received.

- If the utility vendor rejects the overpayment request, the utility vendor will not sign the forms. The vendor will contact IHCDA's CSBG and EAP Claims Specialist and about rejecting the payment request. IHCDA will send a request for payment to the agency.

606 IHCDA CLAIM REIMBURSEMENT

The LSPs may claim reimbursement for EAP obligated funds from IHCDA for Eligibility, Program Support, Energy Education and Materials and Supplies, and Family Development. This procedure should sufficiently maintain the LSP's cash flow.

The IHCDA field staff will monitor and statistically sample the client files to ensure that the LSP is maintaining acceptable program eligibility documentation and financial payment records.

Approval of benefits by the LSP, which exceed the available balance of their allocation, or the maximum percentage of a particular line item, will not be reimbursed by IHCDA.

607 TRANSMITTALS FOR MORATORIUM PROTECTION ONLY

Agencies must run a separate set of transmittals for clients who are eligible for moratorium protection, but agencies do not have funding available to distribute benefits.

In the RIAA software, agencies should click on Transmittals, and then go to Run Moratorium. The agency will choose the appropriate funding source, vendors, and claim end date. The transmittal process will run as normal.

When funding is made available, agencies must run the Hold Status Report. All clients on this report must be changed from ON HOLD to approved, and benefits must be distributed to all of the clients listed on the report. Agencies must run regular transmittals to notify vendors that funding is available.

SECTION 700
PROGRAM INTEGRITY

The Program Integrity process ensures that each LSP has internal controls that would protect EAP funds from waste, fraud, and abuse. Each year, IHCDA submits a Program Integrity Assessment Plan to the U. S. Department of Health and Human Services. This plan outlines risk analysis and fraud prevention. Indiana's Program Integrity Assessment requires: each LSP to complete Quality Assurance (QA) Reviews of no less than thirty percent (30%) of all EAP applications; all agencies must conduct a review within 45 days of the application date for all identified client eligibility files; a review of each LSP's A-133 audit for findings related to LIHEAP, and social security number and income validation. During the annual program reviews, the monitor and/or monitoring consultants will ensure that all LSPs are compliant with these rules.

700 INTERNAL CONTROLS

Each LSP must have written policies and procedures that ensure accurate client eligibility determination, benefit approval, and protection of the funds from fraud, waste, and abuse. The procedures must outline the agency's step process for completing appointment, processing a mail application, and calculating benefits. The policies must also provide steps to ensure that the following subsections are completed properly.

Validation of these procedures is completed through the agency's Quality Assurance Reviews. The procedures will be reviewed during monitoring to ensure total internal compliance.

701 SOCIAL SECURITY NUMBER VALIDATION

Each household member age one (1) and over must present a valid social security number as part of the eligibility process. The most acceptable form of social security validation is the member's social security card. However, other acceptable forms include:

- A letter from the Social Security Administration
- A Social Security benefit letter is acceptable, as long as the full number is provided and a photo identification card is reviewed
- A benefit letter from another categorically eligible program, as long as the full number is provided and a photo identification card is reviewed

All LSPs are required to retain a copy of the documentation used to verify the SSN. The documentation may be stored in the eligibility file or a separate file. However, the agency must strike out all but the last four digits of the SSN, if the copy is retained in the eligibility file.

702 CLIENT ELIBILITY VERIFICATION

Quality Assurance Reviews are internal reviews conducted by the agencies to ensure that all applications are complete. A complete application must contain the following information:

- the household information;
- the statistical sections;
- the benefit information sections;
- the utility company information;
- the identification of application type, including TANF status; and,
- the signature and date on the application.
- a completed QA form, if the file has been reviewed
- Copy of notification or approval or denial of benefit letter

A complete application should contain the following supporting documentation:

- copies of the most recent or other appropriate fuel bills;
- copies of income documentation;
- notation of participation in Energy Education Class, if applicable;
- case-management notes for further energy related services using the Family Development Matrix;
- forms indicating referrals to other agencies or programs; and
- other documentation including the intake worker's written comments (i.e. notes regarding contacts with utility companies).

QA reviews check complete applications to ensure that the following information was processed accurately:

- the completeness of the case identification information;
- the accuracy of the income computation;
- the points awarded correctly under each category;
- the points totaled correctly;
- the electric benefit is noted;
- a crisis benefit, if applicable, is noted;
- the matrix form is signed and dated by the intake worker.

IHCDA has developed a Quality Assurance monitoring tool in the RIAA software to track all internal QA reviews. It should be used by all agencies in reviewing files internally.

Once the QA reviews are completed, agencies should compile the list of errors and use the list as a tool for future program training and development.

During the monitoring review, the monitors or consultants will confirm that agencies have monitored files with in the 45-day requirement. Failure to monitor files according to this schedule will result in a concern on the monitoring report.

703 ZERO INCOME CLAIMANTS

Households that declare no income are required to complete a *Zero Income Claimant Form* (located in Appendix R) for each member claiming zero income for the previous 12 months and document how their living expenses are met. In addition, each zero income claimant must support the claim with documentation from another social service or state program, like a wage inquiry from the Department of Workforce Development. If there is no indication how a zero income household meets basic living expenses, then no EAP assistance should be offered. This is not meant to disqualify a household with no income, but rather understand how such a household survives and if case management services would be appropriate.

A signed EAP application gives the agency consent to make any necessary contacts to verify information given by the applicant. Households which are found to have undeclared income, resulting in total household income exceeding the Poverty Guidelines, or resulting in getting benefits for which they were not entitled, should be notified that unreported income has been found. Further, the EAP benefit, which has already been given to the vendor, should be recouped.

To prevent fraud and abuse of EAP benefits among zero income claimants, it is recommended that LSPs review a higher sampling of these applications.

704 LANDLORD AFFIDAVITS

The LSP should also include QA random samplings of households that rent by using a **Landlord Affidavit** (see Appendix D). The Landlord Affidavit can be used to corroborate that the following information was submitted properly on the application and the proper matrix points were assigned as a result:

- utilities are listed in the name of a household member, landlord, or legal power of attorney
- the correct primary heating source was listed
- the correct dwelling type was listed
- the proper points were allocated for subsidized households
- confirm the number of adults and children listed on the application

Verification of property ownership may also help in the QA effort. If upon further review by the LSP staff, it is determined that a household has provided fraudulent housing information, the agency should begin procedures to recoup the benefit.

704.1 SOCIAL SECURITY VERIFICATION

Each household member age one (1) and over must present a valid social security number as part of the eligibility process. The most acceptable for of social security validation is the member's social security card. However, other acceptable forms include:

- A letter from the Social Security Administration
- A Social Security benefit letter is acceptable, as long as the full number is provided and a photo identification card is reviewed
- A benefit letter from another categorically eligible program, as long as the full number is provided and a photo identification card is reviewed

All LSPs are required to retain a copy of the documentation used to verify the SSN. The documentation may be stored in the eligibility file or a separate file. However, the agency must strike out all but the last four digits of the SSN, if the copy is retained in the eligibility file.

705 MONITORING AND COMPLIANCE

As a part of Indiana's program integrity plan, each LSP's EAP program will undergo an annual monitoring review. The review will be conducted by subcontracted monitoring, consulting firm.

705.1 MONITORING PROCESS

IHCDA will pull at least three (3) percent of the agency's client eligibility files and submit the files to the contracted file monitors for the review.

Notification of the visit will be sent at least 30 days prior to the visit. The LSP will receive the monitoring list of files according to the following schedule:

- For agencies whose file total is greater than 500, they will be notified no more than 14 days prior to the view.

- For agency's whose file total is less than 500, they will be notified no more than five (5) days prior to the review.

The monitors will conduct the review at the agency's primary (or main) location. Each review will include an entrance review, a client eligibility review, a financial review, a programmatic interview, and an exit interview. The client eligibility review analyzes the components of the application for completeness and accuracy as defined in Section 701. The financial review ensures that EAP applications are remitted via transmittals to utility vendors within 60 days from their approval date and that transmittals are submitted to IHCDA within five (5) days of receipt from the utility vendors. The programmatic interview allows the EAP program staff to explain their QA review process, energy education program, outreach activities for at-risk clients, and intake procedure for taking internal applications.

LSPs that scan and save files electronically may request an extended timeline for organizing files for the annual monitoring visit. LSPs are strongly encouraged to notify the State Office at the start of the program year, if they scan and save files electronically.

705.2 REPORTING

Each LSP should receive a copy of the monitoring report within 30 days from completion of the exit interview. If the agency was given a grace period up to 10 days to submit additional information, then the monitoring report will be issued 30 days from the last day of the grace period.

The monitoring report will include the number of files reviewed, the number of findings and concerns, the amount of benefits to be paid to clients and IHCDA, and suggestions for future program enhancement. Agencies will have 30 days from receipt of the monitoring report to respond.

The agency will send the monitoring response to IHCDA. IHCDA will respond within 15 days. The response is sent to IHCDA to mitigate any disputes between the agencies and the monitors on findings and concerns. If the agency chooses to respond to IHCDA, the response must be sent to IHCDA within 15 days. If IHCDA agrees with the response, the monitoring period is then closed, and the response is sent within 15 days. If IHCDA disagrees with the response, the cycle begins again.

If the agency does not agree with the second response from IHCDA, the agency can appeal to the CSBG and EAP Program Manager for a final decision on open issues.

705.3 QUALITY IMPROVEMENT PLAN

As a part of the monitoring report, each agency's error rate is assessed to identify if there is a need for additional training and technical assistance. The error rate is the total of findings and concerns divided by the total number of files reviewed. If an agency's error rate is 20 percent or higher, then the agency is eligible for a quality improvement plan (QIP). A QIP is training and technical assistance plan that requires the agency to undergo three (3) additional monitoring sessions over 90 days, or one visit every 30 days. The agency's qualification for the QIP is identified in the monitoring report. IHCDA will confirm the need for a QIP based on the agency's responses to the monitoring report.

The agency is notified in writing no more than seven (7) days prior to the monitoring visit. The monitoring notice will request that the agency have at least 50 client eligibility files per Service County available for review. The files may not undergo the agency's internal QA review in preparation for the visit, unless the files were pulled as a part of the daily QA process. The monitor will pull at least, but not limited, 30 client eligibility files at random. Only a client eligibility review is conducted during the visit. A report is issued within 15 days from the exit interview. The report will address any findings or concerns identified during the visit and offer programmatic recommendations to enhance the client eligibility review process.

After the third visit at the end of the 90 days, IHCDA will assess the agency's client eligibility review process. If corrective actions have been made to remedy the findings and concerns, the agency will be cleared from the QIP, and the monitoring period will be closed. If IHCDA finds that the agency is unable to successfully administer the client eligibility review process, then a funding determination will be assessed.

705.4 MODIFIED QUALITY IMPROVEMENT PLAN

As a part of the monitoring report, each agency's error rate is assessed to identify if there is a need for additional training and technical assistance. The error rate is the total of findings and concerns divided by the total number of files reviewed. If an agency's error rate is between 15-19 percent, then the agency is eligible for a modified quality improvement plan (QIP). A Modified QIP is training and technical assistance plan that requires the agency to undergo three (3) additional monitoring sessions over 90 days, or one visit every 30 days. The agency's qualification for the modified QIP is identified in the monitoring report. IHCDA will confirm the need for a modified QIP based on the agency's responses to the monitoring report.

The agency is notified in writing no more than seven (7) days prior to the monitoring visit. The monitoring notice will request that the agency have at least 20 client eligibility files per Service County available for review. The files may not undergo the agency's internal QA review in preparation for the visit, unless the files were pulled as a part of the daily QA process. The monitor will pull at least, but not limited, 20 client eligibility files at random. Only a client eligibility review is conducted during the visit. A report is issued within 15 days from the exit interview. The report will address any findings or concerns identified during the visit and offer programmatic recommendations to enhance the client eligibility review process.

After the third visit at the end of the 90 days, IHCDA will assess the agency's client eligibility review process. If corrective actions have been made to remedy the findings and concerns, the agency will be cleared from the QIP, and the monitoring period will be closed. If IHCDA finds that the agency is unable to successfully administer the client eligibility review process, then a funding determination will be assessed.

SECTION 800
MAIL-IN PROTOCOL

According to Assurance 3, states are required to conduct outreach activities that will assure that eligible households, especially households with elderly individuals or disabled individuals, or both, are made aware of available assistance. All agencies serve these households through a mail-in process, which allows the eligibility determination to be accomplished without a face-to-face interview.

Some agencies have included families with children under age six (6), the other "at-risk" group in EAP. We encourage agencies to continue to expand their mail-in groups, particularly experimenting with the working poor to whom coming to the office may mean taking time from a job and losing pay.

801 APPLICATION DATES

All clients from the previous year's EAP roles, who fit the agency's chosen population, may be sent a mail-in application packet. IHCDA has again promoted the mail-in application time frame, prior to the official start of the program in the fall. Agencies can mail applications for FY 2014 beginning September 1, 2013. This is done to alleviate the congestion at the start of the fall appointment period. Completed applications for the FY 2014 program may be entered into RIAA beginning September 6, 2013. But no transmittals should be sent to the utility vendors until November 1, 2013 or after. Nor should the Applicant Notification form be sent to households prior to November 4, 2013. Again, November 4, 2014 is the effective start date of the FY 2014 program.

Please note the application date, is the date the agency receives a completed application. Applications should not be processed without all required information to determine eligibility. (See Section 100)

802 APPLICATION PACKET

802.1 Application Packet Contents

Each agency develops its own mail-in packet. However, the packet should contain the following:

- The Energy Program Application form (some agencies use a pre-application form); with instructions on how to complete the application;
- All other state and local required forms and any special instructions which the client may need in order to complete the mail-in process successfully. If possible, the agency should also provide the client with a phone number other than the main EAP line so clients with questions can get through;
- Forms for obtaining income verification or a process for obtaining third-party verification from the Social Security Office, DFR Office, or employer;
- A pamphlet describing other available services such as Weatherization;
- An addressed return envelope; and
- A Right to Appeal form.

802.2 Returned Packets

When the household sends or takes back the application packet it should be date stamped, or the return envelope kept in the file. These packets should be processed on a first-return, first-serve basis. Completed mail-in applications, received before November 1, may be assigned the date received instead of the program start date. The ten day period to notify clients of their eligibility will begin on November 1, 2013.

For mail applications, notification of approval or denial must be completed within **60 days** of application completion. Copies of the notification letters, either approval or denial, must be included in the client's file.

802.3 Incomplete Packets

Incomplete packets should be followed-up immediately with a letter informing the client that:

- they have a certain number of days (at least ten business days) to return the proper information and/or verification;

- if the proper information or verification is not received in that designated time period then the client must come to the office for an appointment; failure to do so will result in a denied application.

- applicants must submit a new application, with updated income information if their application is incomplete for more than 60 days

- homebound clients, who were unable to complete the mail-in application, should be followed-up with a home visit if necessary; and

- clients should receive notification of their eligibility within sixty (60) days of the agency approving the completed packet, but no sooner than November 1, 2013.

803 OUTREACH AND CONTINUED ACCESS TO ON-SITE APPLICATION

Also, in order to reach those clients who did not apply during the previous EAP year, information should be made available throughout the community explaining the mail-in procedure, the mail-in target population, and a telephone number for acquiring a mail-in packet. IHCDA has designed a brochure for EAP and the Home Energy Conservation (Weatherization) Program. These brochures are available to agencies upon request. Mail-in applications remain a strongly recommended intake procedure.

Federal regulations mandate that walk-in sites be available for those clients who need crisis assistance, intake services, or help with completing their application. These sites must, of course, be available once the regular program begins.

SECTION 900
SUMMER COOLING ASSISTANCE PROGRAM

The statewide Summer Cooling Assistance Program for FY 2013 will begin **June 9, 2014** and end **August 15, 2014**.

Unless otherwise specified below, the rules established for the EAP winter heating assistance program apply to the Summer Cooling program.

901 ELIGIBILITY REQUIRMENTS

901.1 Application and Eligibility Determination

Households that received FY 2014 winter heating benefits and did not have their electric utility included in rent are considered eligible for Summer Cooling Assistance based on the previously approved application. A further eligibility determination is not necessary.

The program is not restricted to households that received the prior winter's heating benefits. A household that did not receive heating benefits the prior winter must be determined eligible under the guidelines as a ***new*** applicant. ***New*** households may apply; however, LSPs may begin taking new applications on or after **July 1, 2014**.

EAP applicants that change service areas before the start of the Summer Cooling program will have their benefits processed at the agency where their winter benefits were approved. If the utility vendors confirm that the client has moved and does not have an active account, that client will be treated as a walk-in at the agency located near its new residence.

Households that were deemed ineligible prior to May 16, 2014 may reapply as walk-in applicants on or after July 1, 2014.

901.2 Categorical Requirements and Cooling Benefits

All financially eligible households qualify for:

- a payment to their electric utility up to $150,
- a room air conditioner, if certain medical conditions are met

The electric benefit is awarded to households that are responsible for an electric utility bill and will be paid directly to the electric utility vendor. A household whose electric utility was included in rent will be ineligible for a summer cool benefit. The amount of the electric benefit will be determined prior to the start of the Summer Cooling program and will be based on funding availability at that time. There will not be a direct payment made to households with electric included in their rent**.**

A room air conditioner may be awarded only to income eligible households that pay an electric bill and meet the medical conditions.

Eligible households may receive the above electric dollar benefit payment annually.

Summer Cooling Assistance benefits will be tracked using the Summer Cool line item on the budget (located in Appendix G). Each agency will be allocated a certain amount of administrative funds to supplement the operating costs for running the summer cool transmittals.

901.3 Eligibility for an Air Conditioner

Under certain limited circumstances, a household may be eligible to receive an air conditioning unit, *plus the monetary benefits above*. Except as noted, all three criteria must be met to receive an air conditioner.

1. The household must be financially eligible for the program as described above; and,

2. The household must have a verified medical requirement for an air conditioner. That is, a statement from a doctor or nurse practitioner that indicates a medical condition of a household member justifies the need for an air conditioner and that the lack of a room air conditioner in the household may seriously jeopardize the health of that person. IHCDA has updated an Air Conditioner Certification Affidavit for use in FY 2013 and is located in Appendix T. It must be completed and signed in order to qualify for this benefit; and,

3. Using EAP program definitions, the household must be classified as at-risk: elderly, disabled, or have a child under the age of 6. (See Section 302.4)

   <u>Exception to #3:</u> *If a household applies which does not meet the third criterion but the agency feels that it is a life-threatening situation, the LSP*

Program Manager may approve, by a written waiver, overriding the third criterion.

A household will qualify for the air conditioner benefit no more than once every five (5) years, except in extreme circumstances such as a flood, tornado, or fire that caused the household to relocate. Households that received an air conditioner in FY 2008 or prior are eligible for an air conditioner in FY 2014. Clients who received air conditioners between PY2009 and PY2013 are ineligible for air conditioners at this time.
All clients must have a signed Air Conditioner Affidavit (located in Appendix T). Written doctor's statements are not acceptable forms of documentation.

Households with an operating central air conditioning unit are ineligible for a window unit.

902 LIMITS TO THE VALUE OF PURCHASES

The air conditioner purchase must be at least 5,000 (minimum) BTU capacity unit, but not to exceed a cost of $275. However, agencies should purchase the units at a lower cost when available. Further, the household must sign a statement that they will not sell or transfer their air conditioner for a period of five years.

It is required that agencies purchase Energy Star rated air conditioners. Exceptions must be approved in writing by the Community Programs Manager.

903 INVENTORY

It is important to purchase enough of a supply of air conditioners to accommodate the anticipated demand, as well as obtaining a volume based price. However, inventory should be limited to avoid storage costs. We suggest that agencies plan to have no more than 10% of their volume on hand to carry over as inventory for next year. Any warranty issues with the air conditioner unit must be handled between the client and the agency.

Agencies may also issue a merchandise credit from the vendor and allow the client to pick up the unit on their own. Any warranty issues with the air conditioner should be handled between the client and the vendor. Agencies can run the vouchers using the RIAA system by accessing the reports function and selecting Cooling Assistance Vouchers.

The purchase of air conditioners will be tracked using the Summer Cool A/C Funds line item on the budget form (located in Appendix G). Agencies will submit a claim (not a transmittal) to IHCDA for the air conditioner units purchased. The claim must be submitted on IHCDA Online, and a copy of the purchase invoice must be provided as proof of purchase. This claim will be submitted through the agency's fiscal department, not the RIAA system.

To track air conditioners in RIAA, the agency will create a transmittal. The transmittal will list the payor as "Self" with zero dollars.

SECTION 1000
LEVERAGING INCENTIVE PROGRAM

In 1992, federal legislation established the Leveraging Incentive Program to reward States under the Low-Income Home Energy Assistance Program (LIHEAP) that have acquired non-federal home energy resources for low-income households. Leveraging Incentive Program funds will be awarded to those LSPs that play an active role in developing or acquiring dollars that represent a net addition to the total energy resources available to the low-income in their areas.

1001 LEVERAGING INCENTIVE AWARDS

Under this program, Leveraging Incentive awards in one fiscal or program year (the award period) are based on countable leveraged resources that were provided to low-income households during the previous fiscal year (the base period). For example, the 2011 data is used to award the funds to the states in summer 2013. Those funds are then awarded to LSPs in their FY 2013 contracts.

States, territories, and tribes desiring Leveraging Incentive funds must submit an application each year - the federal "LIHEAP Leveraging Report" - that delineates the amount and types of leveraging activities they carried-out during the base period. HHS will then determine whether the reported activities meet the requirements of the statute and regulations, and therefore, are countable under the program for the purpose of determining allocation of the incentive award funds.

Once the State of Indiana receives a Leveraging award, it is allocated to the LSPs based on Leveraging activities that took place in their service area.

1002 COUNTABLE LEVERAGED RESOURCES

Leveraged resources means the benefits made available to Indiana's Energy Assistance Program, or to households qualifying for the program, insofar as the benefit represents a net addition to the total energy resources for the low-income client, expanding the effect of their federal LIHEAP funding.

Note that the households who "qualify" in this instance include any that have an income up to the federally established limit of 150% of poverty, whether they were an EAP recipient or not.

1002.1 Leveraged Utility Bill Assistance

Any non-federal form of utility assistance to the low-income household may be reported by the agency as a leveraged resource. This would include assistance paid to or on behalf of a household by township trustees, local community organizations, churches, a landlord, or other individuals.

1002.2 Utility Company Programs

Any utility vendor programs which benefit the qualifying population can be evaluated and counted as leveraged funds. This may include utility company fee waivers, discounts, deposit waivers, arrearage forgiveness, and/or the value of any other household benefit provided.

Also included is home weatherization or similar activities funded by utility companies. To the extent that labor and/or materials are provided by the utility company, the values can be counted as leveraged funds.

1002.3 Fuel Fund Programs

Various activities are used to establish local fuel assistance funds to benefit the low-income. Efforts such as NIPSCO's "Gift of Warmth" and Duke Energy's "Helping Hand", programs that reduce a low-income consumer's bill can be counted as leveraging activities. IHCDA is able to gather information from the major investor owned utilities doing business in Indiana. Agencies should look for other local fuel funds established by rural co-ops, municipal utilities, and bulk fuel vendors in their service territory.

1002.4 Donated/ Discounted Energy Related Items

Any energy related items donated to an agency on behalf of qualifying households, or donated directly to the household, may be counted for leveraging. Such items have included weatherization materials and energy efficient lighting. Other donated items may include space heaters, smoke alarms, windows, and doors.

Also, agencies may be able to obtain discounts on fans and air conditioners for the Summer Cooling Program. Even donated items such as blankets in the winter or Channel 6 fans in the summer may be counted. Another countable resource is the landlord's contribution to the weatherization of rental property.

To the extent that they are either donated or discounted, the value of these donated goods and services may be countable.

1002.5 Fuel Discounts

Anytime a lower price for utility costs for a low-income household can be negotiated, the difference between the current price and the lower discount price can be counted as leveraged. In 1997, the Energy Assistance Program's Summer Fill Program began. Because it is a slow business time for most bulk fuel vendors, summer is a prime opportunity for the local agencies to negotiate for the delivery of bulk fuels at a lower price. In this instance, the difference between the "regular" summer price and the negotiated price can be counted under leveraging.

1003 ALLOWABLE USES OF LEVERAGED FUNDS

When the Leveraging Incentive Program awards are made to the states all of the funds are then distributed by IHCDA to the LSPs based on the portion leveraged in each service area. The funds received by the local LSP must be used to maintain or increase benefits to low-income households as a part of the Energy Assistance Program.

Leveraging funds should be used, in the same manner as crisis funding, to prevent disconnection or to assist with the reconnection of service. As with crisis, the amount of leveraging funds awarded should be up to $200 for regulated utilities and up to $400 for unregulated utilities.

If it is impossible to prevent the disconnection or to assist with reconnecting services, because the amount needed is too high, agencies may opt not to apply the benefit to the client's account as it is not solving the crisis.

Leveraged funds may *not* be used for administration or planning.

1003.1 Utility Assistance

Leveraged funds may be used to augment the regular energy assistance benefits: heating, crisis, cooling, or summer fill benefits. This may mean the expansion of the number of households served. But it may also include the awarding of funds to a household, over and above the amount of the regular and crisis benefits, whenever the local LSP feels it is warranted.

When awarding crisis assistance, agencies should use the same guidelines as awarding LIHEAP crisis assistance- up to $200 for regulated utilities and up to $400 for unregulated utilities.

Funds may also be used to pay costs that are not eligible for payment under the regular EAP program (See Section 204). *This could include deposit and reconnect fees.*

- ✓ Leveraging incentive grants must be obligated no later than September 30, 2014, or the funds will revert to the federal government.

- ✓ For the 2014 Energy Assistance Program, the State of Indiana has not received a federal leveraging award

- ✓ For a possible 2014 leveraging award from HHS, agencies should submit their local leveraging information to IHCDA no later than October 30, 2013. This information should cover activities from October 1, 2012 to September 30, 2013 in their service territory. The states have the option to choose which year presents the best leveraged case.

SECTION 1100
APPEALS PROCEDURE

1101 APPLICABILITY

The Energy Assistance Program appeals procedure is required and must be communicated to households:

A. whose assistance has been denied; or,
B. whose application has not been processed in a timely manner and who has not received written notification of approval or denial within ten (10) days of the completed application; or,
C. whose benefit has not been received within sixty days (60) if utility pay.

1102 APPEALS PROCEDURE

The Appeals Procedure begins at the local level with an informal process designed to settle most problems through a review of the facts and resolution of the issues. This process can include assistance from the Indiana Housing and Community Development Authority. If the informal process does not resolve the matter there is a subsequent process whereby the complainant may ultimately have a formal hearing of the matter.

1102.1 Informal Review Process

1. The LSP must provide **written notification** of approval or denial to all households for Energy Assistance within ten (10) working days of the household's completed and processed application. The notification must include the household's right to appeal that determination.

2. If the applicant is not satisfied with any determination by the Program Director of the LSP, he/she may submit a written or oral request to the LSP for a review of the determination. The Executive Director or their designee shall make the determination of the applicants' eligibility on review within ten (10) working days of the applicants' request.

3. If the applicant is still not satisfied with the determination after review by the Executive Director, he/she may request review by the State. This request may be made by submitting the APPLICANT NOTIFICATION FORM to IHCDA. If an applicant needs assistance with this procedure, they may call the IHCDA at 1-800-872-0371.

4. Upon a request for State review, the LSP will forward the household's application, the written notification of the household's denial, and other pertinent documentation to the IHCDA's EAP and CSBG Program Manager.

5. The EAP and CSBG Program Manager and/or their designee from IHCDA will review the materials submitted and issue a written finding to the applicant and the LSP, based on the documentation submitted.

1102.2 Formal Appeal and Hearing

1. If the applicant disagrees with the determination of the State EAP and CSBG Program Manager, the applicant has the right to appeal to the Executive Director of the Indiana Housing and Community Development Authority for an evidentiary hearing. The applicant must request this appeal within thirty (30) days of being notified of the State's decision. IHCDA will alert the LSP of the pending formal appeal. Requests for a formal appeal should be sent to the attention of:

J. Jacob Sipe
Executive Director
Indiana Housing and Community Development Authority
30 South Meridian Street, Suite 1000
Indianapolis, Indiana 46204

2. The Executive Director shall designate an impartial Administrative Law Judge who has not participated in any prior decision with regard to the applicant.

3. The hearing will be scheduled promptly and held in a place reasonably convenient to the applicant, at the IHCDA office, or by telephone.

4. The applicant shall be afforded the opportunity to review all documentation submitted to the IHCDA for consideration.

The applicant may:

a. have a representative accompany him/her to the hearing;

b. be allowed to present written and oral evidence in support of his/her claim;

c. have witnesses subpoenaed;

d. cross-examine witnesses; and

e. bring an interpreter, if needed.

5. Testimony will be given under oath.

6. The hearing will be recorded and the decision based on the record.

At the time of the appeal, the benefit in question will be considered as obligated until such time as the appeal is resolved. If the appeal is successful, the LSP will pay the benefit amount to the appropriate household or vendor. If the appeal is unsuccessful the funds will revert to the program.

SECTION 1200
LSP BUDGETS AND CLAIMS SUBMISSION

As a condition for receiving the LIHEAP block grant, the State of Indiana is required to account for the expenditure of those grant funds. The subcontracting network, the Local Service Providers, participates in this process by providing fiscal and statistical information.

1201 BUDGETS

The Energy Assistance Program budget should be submitted by each LSP to the Indiana Housing and Community Development Authority (IHCDA) at the time of initiation of the annual contract, its renewal, or upon a change of funding notification from IHCDA. The budget is effective October 1st through September 30th, each year. IHCDA will approve all budgets and subsequent modifications.

The Leveraging Incentive Program Budget is also included, but on a separate budget page, if Indiana is awarded these funds.

(See Appendix G for the EAP budget forms and specific instructions.)

As of September 1, 2013, the LIHEAP allocation had not been approved by Congress. The allocation formula for 2014 EAP funds to the Local Service Providers will be based on the same percentages as the last nine years. If the federal appropriation exceeds the current projected amount, IHCDA will distribute these additional funds on an as needed basis. Contract amendments occur when funds are added or taken away from the agency's award. The Executive Director will sign the legal documents and return to IHCDA with an updated budget. When submitting the first budget from the contract, the agency must mark "Original" on the budget form. For each contract amendment, the agency must update the line item "Amendment" in the top right corner.

The Energy Assistance Program budget categories have been modified to include the Summer Cooling Assistance Program. Changes were initiated in FY 2005 upon advisement of the EAP Advisory Committee, feedback from the Indiana Community Action Association and an internal review of the LIHEAP contracting structure. Eligibility (Administrative Costs) will again be reimbursed at up to eight and a half percent (8.5%) of the total agency expenditures. Program Support will be reimbursed at up to three percent (3%) of the total budget. A line item will remain for Family Development activities and reimbursed at up to two percent (2%) of the total budget.

LSPs will be reimbursed $25.00 per hour of Energy Education provided to an EAP household member(s) in a classroom or in-home setting. LSPs may budget and draw funds for the Materials and Supplies line item to supplement the overall energy education curriculum. Subsequent case management (Family Development) provided with an emphasis on energy conservation will also be reimbursed at $25.00 per professional hour. Client benefits will be reimbursed on an actual cost basis.

Two new line items were added for the Summer Cooling Assistance Program and for the purchase and distribution of air conditioners.

The line item descriptions will again look like this:

Eligibility	Actual Cost
Program Support	Actual Cost
Energy Education	$25.00/Hour of Service
Regular Assistance	Actual Cost
Crisis Assistance	Actual Cost
Summer Cooling Assistance	Actual Cost
Family Development	$25.00/Hour of Service
Energy Ed. Materials/Supp.	Actual Cost
Summer Cool A/C Funds	Actual Cost

Budget modifications occur when agencies change the dollar amounts between line items. Budget modifications can be completed any time during the program year, as long as the budget meets the percentage requirements. When submitting the first budget from the contract, the agency must mark "Original" on the budget form. When submitting a budget modification, the agency must update the line item "Modification" in the top right corner.

1201.1 Eligibility (Administrative Costs)

Eligibility costs will cover overall administration of the program. Eligibility costs are defined as the agency costs for intake and eligibility determination and other associated costs.

Agencies may budget and use up to eight and a half percent (8.5%) of its total EAP budget for Eligibility. Any other federal dollars used in the administration of EAP *must be included* against this limit.

<u>Eligibility line items</u>: Eligibility (Administration) (no more than 8.5% of total expenses may be claimed)

- EAP administrative functions, including fiscal, executive, and support operations.
- EAP Program intake functions, including eligibility determination and verification, application processing, and transmittal processing.
- Costs such as rent, utilities, and supplies etc. that are directly associated with staff costs in the Administration category.

When filing a claim for eligibility expenses, your agency should include reports or registers from your accounting software, as well as purchase orders, invoices, and receipts where applicable. The documentation should support expenses that cover intake, operations, materials and supplies, rent, utilities, and other necessary eligible expenses.

1201.2 Program Support Costs

Program Support is a non-administrative line item intended to be used for line staff costs, which are not strictly associated with intake and eligibility determination. Agencies may budget and use up to three percent (3%) of total EAP dollars in this line item. Other federal dollars may subsidize this non-administrative category without any effect on this limit.

<u>Program Support line items</u>: Program Support (no more than 3% of total budget)

- Costs associated with program outreach including dissemination of program information, information on and referral to other programs, and staffing of outreach sites.
- Referrals to other agencies, assistance in budgeting for utilities, short-term case work, coordination of benefits on behalf of a household.
- Case work in response to a household’s energy emergency, including all Crises related activities, such as intervention with utility companies, negotiation with township trustees or other agencies on behalf of a household.
- Costs such as rent, utilities, and supplies directly associated with staff costs in the Program Support category.
- This includes all expenses related to maintenance of seasonal outreach sites.

When filing a claim for program support expenses, your agency should include reports or registers from your accounting software, as well as purchase orders, invoices, and receipts where applicable. The documentation should support expenses that cover outreach, referrals, case management, materials and supplies, rent, utilities, and other necessary eligible expenses related to the maintenance of seasonal outreach sites.

1201.3 Energy Education Costs

Agencies may budget and use up to four percent (4%) of their total EAP budget among the Energy Education and Energy Education/Materials and Supplies line item categories.

The Department of Energy and the Indiana Weatherization Assistance Program stress client education as a mandatory measure under the audit priority list. Knowledge about energy use and basic home conservation is part of the intake process and continued throughout the weatherization process.

The Energy Education line item includes the continuation of the Energy Education Project, which began in FY 2003.

Energy Education - An energy education session will be conducted for EAP clients in a classroom, or in-home setting. Sessions may be conducted in the office or any other appropriate setting such as Senior Centers, Head Start parent groups, Public Housing Authorities, utility offices, schools, etc. You may claim one $25.00 payment per EAP approved eligible household within the *Energy Education Project classroom component.*

Other guidelines include:

- ✓ In order to receive payment, the household must be EAP approved;
- ✓ The client must complete a sign-in sheet to serve as verification of attendance. A copy must be kept in each client's file or in a master file;

Further notes:

- ✓ The energy curriculum was developed by Quantec LLC, in conjunction with the State and may be used by the LSPs for the classroom training. Emphasis should be placed on the discussion points in the Quantec presentation in order to be client interactive.
- ✓ LSPs may also experiment with their own design of an energy conservation class. LSPs that choose to do so may consult with IHCDA on

curriculum contents and should have written training lessons available for IHCDA review.

- ✓ Agencies may purchase necessary materials and supplies.

<u>Energy Education line item</u>: Energy Education $25.00/Hour of Service plus Materials and Supplies

- Cost reimbursement for successfully teaching a one-period energy conservation class with an EAP household member. There is a one-time reimbursement per household per year.

Energy Education/Materials and Supplies

- In order to properly conduct Energy Education classroom sessions, additional materials and supplies may be necessary. Agencies may also want to enhance their presentation with educational material not otherwise provided.

- Costs associated with materials and supplies needed to conduct the EAP Energy Education Project. Costs may include, but are not limited to, paper, pens, client survey forms, conservation materials and pamphlets and brochures, air temperature cards, and other items normally associated with a classroom learning experience.

Budgeting reminder:

- ✓ The combined total of (energy education) + (energy education/materials and supplies) cannot exceed four percent (4%) of the total EAP budget.

When submitting a claim for Energy Education and Materials, agencies should submit a copy of the sign-in sheets or the Application Actions Report from RIAA to be reimbursed for participants. For materials or supplies, the agency should provide purchase orders, invoices, or receipts and a report from the agency's accounting software showing that the purchases were booked in the agency's books.

1201.4 Benefit Costs

Funds for benefits are allocated among Regular Heating Assistance, Crisis Heating Assistance, and Summer Cooling Assistance. Benefit costs should be budgeted based on the agency's historical expenditures, weather projections, and fuel cost projections. Other federal dollars may subsidize this non-administrative category.

Although agencies may move funds from one benefit line item to another throughout the year, some funding should be maintained in heating and crisis components beyond March 15th and cool and fill components through mid-summer **if possible**.

Benefit line items:

Heating Assistance: Heating benefit costs budgeted for payment to utility vendors on behalf of eligible clients.

Crisis Assistance: Crisis benefit costs budgeted for payment to utility vendors on behalf of eligible clients. Agencies must budget on this line item. IHCDA will send out the required percentage for this requirement on or before December 1. Funds should be maintained in the Crisis line item through March 15th, if possible, when they can be moved to other line items. If agencies need to make changes to the required percentage, then the Executive Director of the agency should request an amendment to the CSBG and EAP Program Manager.

Summer Cooling Assistance: Cooling costs budgeted for payment to electric vendors for eligible clients. Agencies will not allocate funds to this line item until after the heating season has ended.

Summer Cool Air Conditioners: Costs associated with purchasing air conditioners. Agencies may keep an itemized inventory onsite or distribute store credits. When claiming for air conditioners, the agency must provide a copy of the purchase order, invoice, or receipts.

1201.5 Family Development

Assurance 16 refers to the section of the LIHEAP statute in which the state assured the federal government that the program will:

> *"provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessment, counseling, and assistance with energy vendors…"*

Agencies may budget and use up to two percent (2%) of their total EAP budget in the Family Development category. Other federal dollars may subsidize this non-administrative category without any effect on this limit.

In order to continue to support the Family Development Program, after the client has completed the energy classroom session, they are eligible for further case management services, using the Family Development matrix, **with an emphasis on energy conservation.** Clients currently in Family Development must attend the energy education session for the agency to be able to continue to claim against this line item for case management activities. The agency will be reimbursed $25.00 per hour of service, per household, for continuing the holistic approach under Assurance 16 by a Family Development Specialist. Document in the case file any Family Development activities and related costs. Agencies must be capable of reporting the number of participant families to the State.

Family Development line item:

Family Development $25.00 / Hour of Service

- Costs associated with short-term, intermediate, or long-term case management intervention with an EAP household. Including needs assessment and energy counseling within the Family Development Plan using the matrix score sheet.

When submitting a claim for Family Development expenses, the agency must provide one of the forms of verification as supporting documentation.

- Copies of payroll records/ledger that identify the number of hours spent on Family Development
- Timesheets from the Family Development Specialist
- Paystub showing hours paid for family development
- Transfer documentation or journal entry if the expenses are reimbursed from another program that pays the employee's salary

1202 ONLINE CLAIMS SUBMISSION

All service providers must submit claims for their administrative expenses at least monthly. All claims and supporting documentation are submitted online at IHCDAonline.com .

1202.1 SUBMITTING A CLAIM ONLINE

The agency's designated user will go online to https://ihcdaonline.com and enter a username and password. If the person is a new user, the user will need to register and await confirmation and approval from IHCDA before proceeding.

Once the username and password are verified, the user will click on Claims Management. A summary of all claims submitted to IHCDA will appear. The user will click on Create Claim.

Upon clicking on Create Claim, a dropdown box will appear. The user will select the award. The award is the contract number for the grant to which the agency is claiming.

The user will enter the amount of the claim by line item. The user will see the agency's current budget, total amount paid to date, and balance remaining. Please note that agencies should not enter an amount if the line item does not have remaining funds.

Once the claim amount is entered, the user will Submit Claim. The agency will receive a Claim Receipt, which should be exported and printed.

The user will click on Supporting Documentation. Here the user will upload supporting documentation for the amount to be claimed.

Once these steps are completed, the claim will be remitted to IHCDA for approval. The claim will be reviewed for accuracy. If there are any issues, IHCDA's CSBG and EAP Claims Specialist will notify the agency of issues or discrepancies. The claim will be approved for payment once the discrepancies are corrected.

SECTION 1300
SPECIAL PROGRAMS

1301 UNIVERSAL SERVICE PROGRAM (USP)

The USP was renewed in May 2012 to run through September 30, 2014.

The Universal Service Program (USP) is the result of an agreement among Vectren Energy Delivery of Indiana and Citizens Energy Group in Indianapolis, the Indiana Office of Utility Consumer Counselor, the Citizens Action Coalition of Indiana, the State of Indiana and a group of manufacturing and health providers. On August 18, 2004 the Indiana Utility Regulatory Commission (IURC) approved a two-year pilot program to help low-income natural gas customers by providing reduced bills and promoting energy efficiency and conservation.

Eligible customers who have applied for the Energy Assistance Program (EAP) through their Local Service Providers will automatically be enrolled in the new USP and will receive monthly utility bill reductions during the months of December through May in addition to their EAP assistance benefit. The amount of the monthly bill reduction will vary among EAP clients. For qualifying Vectren customers, monthly bill reductions will likely range between 15 to 32% of the total bill (not including EAP benefits). For qualifying Citizens customers, monthly bill reductions will range from 10% to 15% of the total bill (not including EAP benefits).

To qualify for USP, a client must meet the following criteria:

- Enroll in and be eligible for assistance from EAP;
- Their account must be designated for residential gas heating;
- They must reside at the service address; and
- There must be only one account in the client's name.

Approximately 56,000 Vectren and Citizens customers are expected to participate in the USP program. After tracking the efficiency of the program, the IURC and parties to the agreement will review to determine whether to make it permanent.

The USP will also provide additional funding to Vectren and Citizens customers in the form of crisis assistance programs, which target qualified low-income and working poor households that need additional help to get reconnected and/or maintain heat throughout the upcoming winter. The programs will provide assistance to households up to 200% of the poverty level who might not otherwise be available for traditional assistance.

Northern Indiana Public Service Company (NIPSCO) will also continue its CARE Discount Program in conjunction with revisions made by the Indiana Utility Regulatory Commission.

1302 FAMILY DEVELOPMENT PROGRAM

1302.1 Program Overview

Family Development was implemented on April 1, 2000. The premise of the Family Development Program is that the provision of intensive case management services will increase the long-term stability of low-income families. The Program is a means by which to strengthen the family by providing guidance and support to address issues that impede self-sufficiency. Like in the 1997 REACH Program, Action Plans were developed to effectively address most needs and/or concerns of the familial unit that might impede stability or independence. A matrix score sheet kept track of the achievements of the family. In 2010, the program was revamped and has been fully implemented by the Indiana Community Action Association (INLSP). All trainings and certifications are offered by INLSP.

Indiana has updated the Family Development Program, including the Action Plan and the Matrix for use in other programs. The goal is to make these evaluation tools less subjective and more users friendly.

The Family Development Plan Matrix, with an emphasis on energy conservation, should be used with EAP clients who continue in case management after attending the energy conservation class.

1302.2 Certification Process

There are currently two types of certifications in Family Development- Family Development Specialist and Family Development Outreach Worker.

The **Family Development Specialist** certification track is designed for individuals who do intensive case management with clients using the family assessment tools and who work with clients to set goals, develop a plan to achieve those goals, and empower clients to reach self-sufficiency.

The Family Development Specialist must complete three and a half (3 ½) days of training. The training includes: a half day of Matrix training, three days of family development training, and pass an exam.

After completion of the certification, certified specialists must be complete four (4) continuing education units (CEUs) each year. The specialist will need to complete eight (8) CEUs at the end of a two year term.

The **Family Development Outreach Worker** certification track is designed for individuals who spend limited time with clients and who do not conduct intensive case work with families. This could include administrative staff, intake workers, and Energy Assistance Program staff. This certification provides them skills to effectively interview clients, identify barriers and possible strategies to help them, and who and/or what resources to refer them to for needs beyond emergency services.

The Family Development Outreach Worker must complete one (1) day of training. This training includes: a half day of training on the Family Development Matrix and a half day of training that focuses on the worker's knowledge, skills, and abilities about the program.

After completion of the certification, the certified outreach worker must complete three (3) continuing education units (CEUs) each year. The outreach worker will need to complete six (6) CEUs by the end of the two-year term.

1302.3 Funding Family Development

Each agency is allowed up to two (2) percent of its EAP budget to support family development activities. To claim family development dollars, agencies must have their staff complete the certification process.

1302.4 Family Development Train the Trainer Program

There is a certification track to become a certified **Indiana Family Development Specialist Trainer**. These individuals must complete the certification requirements for the two certification tracks above as well as attend a train-the-trainer course and complete an internship. These trainers will also be called on to conduct FDCP trainings throughout the state as necessary.

To become a certified trainer, the applicant must complete nine (9) days of training. The training includes: completing both tracks for outreach worker and specialist (4 days), passing the exam, completing the train-the-trainer program (2 days), and completing the internship (3 days).

After completion of the certification, certified trainers must be complete four (4) continuing education units (CEUs) each year. The trainer will need to complete eight (8) CEUs at the end of a two year term.

1303 Hoosier Healthwise

Hoosier Healthwise is a health insurance program for Indiana children, pregnant women, and low-income families. Health care is provided at little or no cost to Indiana families enrolled in the program. The enrolled member chooses a doctor to get regular checkups and health care for illnesses. Other health needs such as prescriptions, dental care, vision care, family planning services, and mental health services are also available as part of the Hoosier Healthwise program. Call **1-800-889-9949** to get information about the Hoosier Healthwise program.

1304 HoosierRx

Indiana's State Pharmaceutical Assistance Program, Hoosier Rx, can help pay the monthly Part D premium, up to $70 per month, for members enrolled in a Medicare Part D Plan working with Hoosier Rx.

To be eligible for the HoosierRx program you must:

- Be 65 years or older;
- Reside in Indiana permanently;
- Have a yearly income of $15,840 or less for a single person; or $21,240 or less for a married couple living together;
- Have applied for the "Medicare Extra Help" through Social Security to pay for your Medicare Part D plan, and received either a "Notice of Award" or "Notice of Denial" from Social Security:
- Your Social Security "Notice of Denial" must be because your **resources are above the limit established by law.**
- Your Social Security "Notice of Award" must state that you are receiving **partial extra help** subsidy to help pay for your Medicare Part D premium.

If you think a client meets these eligibility requirements, they should call a Hoosier Rx representative at 1-866-267-4679 or visit the Hoosier Rx website at www.IN.gov/HoosierRx.

Companies offering Prescription Drug Plans working with Hoosier Rx: AARP/United Healthcare, CIGNA Healthcare, Coventry Advance Rx, First Health, Humana, MemberHealth, Prescription Pathway, SilverScript, and WellCare.

1305 Lifeline/Link-Up

Lifeline provides a monthly discount on basic local telephone service for eligible consumers. The Lifeline program is available for only one phone line per eligible home.

Link-Up provides eligible consumers with discounts on connection charges for new local telephone service and may enable clients to finance a portion of the connection charges interest-free for one year. The discount is available for only one telephone line per eligible home.

A simple application is available from your local telephone company or online from the Indiana Office of Utility Consumer Counselor. When returning the completed application to your phone company, the client must include documentation that they participate in EAP.

A consumer enrolled in EAP may be eligible if:

- The telephone service is listed in the clients name;
- The client is not a dependent on another person's tax return;
- The telephone service must be for the primary residence.

For more information, contact the Indiana Office of Utility Counselor.
Their web site is www.in.gov/oucc.

1306 Duke CFL Program

The Duke CFL Program is an energy conservation program designed to increase home energy efficiency through the distribution of CFL light bulbs. This program will serve 10,000 clients within the Duke's service territory statewide. These agencies include: Area IV, Area Five, CFS, CAECI, CAGI, CAPE, CASI, COWI, HS, HUEDC, ICAP, JS, LHDC, OVO, PACE, REAL, SCCAP, SIEOC, TRICAP, and WILSP.

1306.1 Eligible Households

To be eligible to participate in the CFL Program, must use Duke as the electric service provider, and must have never received CFL light bulbs from Duke previously.

1306.2 Conservation Kits

Each client will receive a kit that includes 12 CFL light bulbs shipped directly to their home.

1306.3 Application Process

Once clients have been approved for an EAP benefit, the client will be asked if he or she wishes to participate in survey. Clients who wish to participate will be asked their primary cooling source and estimated year that their home was built.

For information on completing the survey, see the appendix for a copy of the training document.

Agencies will send a weekly report that includes the clients' name, address, Duke Account number, number of household residents, primary heating and cooling sources, estimated year the home was built, dwelling type, and housing status.

Once eligibility has been verified, households will receive their kits within four to six weeks of the application date.

1306.4 Program Administration

To become a participating program administration, agencies must have clients that use Duke Energy as a utility vendor. The agency must sign and return a statement of work (SOW) and master service agreement (MSA). Agencies must agree to the terms and conditions listed in the SOW and MSA and agree to transmit a weekly report to Duke Energy.

Each participating agency will receive $1.00 for each eligible client that receives a light bulb kit. Please send your mailing address and federal tax ID or equivalent to Tasha Davis at Tasha.davis@duke-energy.com. We must have this information to issue compensation.

1306.5 Reporting

Agencies are required to send a weekly report to Duke Energy via the FTP secured website. Reports are due by the close of business each Friday. Once the SOW and MSA have been approved by Duke Energy, agencies will receive a username and password to enter the system. User ID and Password information will be updated on a regular basis and sent to agencies via email every 60-90 days. Agencies will run the CFL report in RIAA and send it to Duke via the FTP secured website at https://sftp.duke-energy.com/human.aspx.

For information about submitting the weekly reports, see the appendix for a copy of the training document.

SECTION 1400
REPORTS

1401 REPORTING

1401.1 Weekly Cumulative Call-In Report

Every week, LSPs are required to report current information on the progress of their Energy Assistance Program. The required reports will begin following the first week of the program in October. Again, all reports should be completed using the Roeing Initial Assistance Application (RIAA). The template for the weekly report remains as follows:

WEEKLY REPORT

Agency Name	Report Ending
LSP Person Reporting	Date/Time of Report
HCS Person reporting	Projected Ending Date

Heating Assistance

Budgeted amount
Funds obligated to-date
Total number of households served

Crisis Assistance

Budgeted amount
Funds obligated to-date
Total number of households served

Summer Cool

Budgeted amount

Funds obligated to date
Total number of HHs served

Number of fans distributed (Channel 6 Fan Club)
Number of air conditioners distributed
Number of households receiving electric benefit

Other Amounts

Energy Education budgeted amount
Energy Education kits purchased
Energy Education kits distributed

Applications

For the week ending:	Year to date:
Approved	Approved
Incomplete	Incomplete
On Appeal	On Appeal
Denied	Denied

All numbers reported should be cumulative. By providing year-to-date data, all adjustments made, i.e., reduction in amount obligated due to a client's ineligibility, will be included in your most recent report.

While we understand that it is difficult to project the ending date of your agency's program, please try to estimate that date beginning in January 2013. This date can be modified, as needed.

The word "obligated" means those funds, which have been committed to approved clients. It should include *every* benefit dollar awarded, not just those benefits which have been paid-to-date. It is very important that the figures reported are inclusive of all applications, even those which are pending the appeals process.

We strongly recommend that more than one person within your agency be able to provide this weekly information. In the event that the person who regularly submits the report is not available (i.e., vacation, sickness, etc.) a substitute is expected to report the figures.

1401.2 Statistics Report

The Statistics Report tracks each agency's budget, clients served, and demographic data by grant and by funding source-heating, crisis, and cooling.

The Funding Summary tracks the approved budget, funds obligated, and remaining funds (potential carryover), by funding source. The heating and crisis budgets should be combined to calculate funding for the winter season. In the summer, cooling should be used.

The report provides the number of households served, members served, and demographic data about those households. The demographic data includes: female/male head of households, at risk populations, race/ethnicity, income, primary heating source, poverty level, and funds spent and clients served by county.

1401.3 Hold Status Report

The Hold Status Report is designed to track clients who are on hold because they are eligible for EAP benefits, but there is no funding available. These clients are eligible for moratorium protection while the agencies await their federal allocation.

To run this report, go to Reports, and then Clients. An additional menu will appear. Scroll down to Client Type Reports. A new menu will appear. Click on Status, and a query box will appear.

In the bottom left corner of the box, the agency must select a status. Choose "ON HOLD". The report requires a date range for the information.

1401.4 Duke CFL Report

The Duke CFL Report is run by participating agencies of the Duke CFL Program. Agencies are required to run and submit this report to Duke Energy every Friday by the close of business.

To run the report, go to Reports tab and scroll down to Clients. A menu will appear. Scroll down to CFL Report.

Click on the CFL Report and a box will appear. Choose Duke as the vendor, the type of report that you wish to pull, and the date of the report. Click on OK. This file should be saved to your computer. It must be saved using the following format:
AGENCYNAME _report date.csv.

All files must be encrypted prior to submission. Open the CSV file that was saved on your computer. Click on File and Protect Workbook. Click on Encrypt with a Password. The password is located in the training documents of the Statement of Work.

All reports are submitted via a secured FTP website. **Go to** https://sftp.duke-energy.com/human.aspx and enter Username and Password provided via email. Select the appropriate agency. To upload the report, go to Upload Files Now, then Browse to search for the files, and finally Upload (to submit online).

1401.5 Summer Air Conditioners Report

According to the Summer Cool Assistance Program guidelines, Clients who received air conditioners between FY 2008-2012 are ineligible to receive a new air conditioners. To run a report of these ineligible clients, agencies should run a client report.

Go to Reports, then Clients. An additional menu will appear. Scroll down to Client Type Reports. A new menu will appear. Click on Receiving A/C.

The agency must enter a date range for the report. For clients that are ineligible between FY 2008 and FY 2012, enter the start date as 6/1/2008 and end date as 9/30/2012.

Please note that the date range will correspond to the beginning (i.e. 6/1) and end (i.e. 9/30) of the summer cool year that you are pulling date for.

1401.6 Unpaid Transmittals

The Unpaid Transmittals Report tracks transmittals that have been run and/or submitted to fiscal, but have not been paid by IHCDA. Agencies should use this report to assist in reconciling the agency's program budget.

To run this report, go to Clients, and then Transmittal Reports. A menu will appear. Click on Unpaid transmittals.

1401.7 Application Actions Report

The Application Actions Report is used to track clients who have participated in Energy Education. To run the Application Actions Report, go to Client, and then Application Actions Report. A box will appear.

In the bottom left corner of the box, you will see two small boxes. First, select an action-Energy Education/kits. Then, select the location. To ensure that you pull all offices, agency should select All.

This report must be submitted with agency's claim for energy education dollars.

For FY2014, below are new application actions that should be tracked where applicable at LSPs.

- Enrolled in Family Development

  Current enrollment in Family Development is defined as one who is actively working with a Family Development Case Manager on short or long term goals. The type of funding utilized should also be captured here.

A Short Term client is defined as one who works with a Case Manager for less than 1 year.

A Long Term client is defined as one who works with a Case Manager for more than 1 year.
Funding utilized: EAP, CSBG and/or other.

- Discontinued

A Discontinued client can be one who voluntarily withdrew from the Family Development program.

  - A discontinued client can be one who terminated due to non-compliance.

  - A Discontinued client can also be one who was unable to continue due to lack of agency funding.

- Completion

A client who is considered to have completed the Family Development program is one who:
  - Is now at 125% of the poverty guideline (for CSBG/Other Family Development) and has completed all program goals per plan.
  - Is now at 150% of the poverty guideline (for EAP Family Development) and has completed all program goals per plan.

- Completed Energy Education

As defined by EAP guidelines/manual

- Previously enrolled in Family Development and progressing

This category is defined as a client who is actively working towards goals. Information to be captured would be the duration of the case management involvement as indicated below:
  - more than 2 years
  - more than 3 years
  - more than 4 years
  - more than 5+ years

SECTION 1500
Indiana Home Energy Assistance Program

Effective July 1, 2012, the Indiana State Legislature enacted HEA 1141, which created the new Indiana Home Energy Assistance Program, or “State EAP”. The State EAP Program is funded by the multistate mortgage settlement fund. This program will provide home energy assistance to homeowners. Renters are excluded as benefit recipients. The program will use the same eligibility standards as the Low Income Home Energy Assistance Program (LIHEAP).

1501.1 State Funding

No later than September 1, IHCDA will report the total amount of funds expended in LIHEAP benefits during the previous state fiscal year (July 1 to June 30) to the Office of the Lieutenant Governor. The Office of the Lieutenant Governor will report this information to the State Budget Agency. The State Budget Agency will determine the gross tax revenue collected during that state fiscal year, based on the amount of LIHEAP benefits expended. The State Budget Agency will remit payment, equal to amount of the gross tax revenue collected, to the Office of the Lieutenant Governor no later than October 1. The funds will be sent to IHCDA to administer the program.

Upon receipt of the funds, IHCDA will distribute funds based on the percentages used in the LIHEAP allocation of the previous year for state administrative expenses and weatherization. The remaining funds will go toward the agency allocations.

- State Administrative Percentage- 1 Percent
- Weatherization Transfer Percentage – up to 25 percent
- Agency Allocation- remaining funds

1501.2 Agency Allocations

The Agency Allocation will be distributed based on the following factors.

- Each agency will be given five (5) percent toward administrative expenses.
- Each agency will receive funding to provide each homeowner with $60 toward the primary heating source. This factor will be based on the number of homeowners who received a LIHEAP benefit during the previous program year.
- Each agency will receive leveraging funds to provide assistance with deposits, reconnection fees, and crisis assistance to homeowners. There is $300,000 set aside as leveraging funds. Distribution of funds will be based on 2010 Census data.

1501.3 Program Year

The Indiana Home Energy Assistance Program will run parallel to the LIHEAP program. The program will begin on October 1 and end on September 30.

1501.4 State EAP Benefits

Homeowners can receive up to three different benefits from the program: regular assistance to the primary heating source, crisis assistance, and weatherization.

Homeowner Benefits: Each homeowner who has applied for and has been approved for LIHEAP benefits is eligible to receive $60 toward the primary heating bill. Funds will be allocated to each agencies based on the number of homeowners served in the previous program year.

Agencies will add the additional $60 to each homeowner's primary heating source as a separate benefit claim using "IHCDA Regular" as the funding source. The funds should be added during the application process. For clients who were processed with mail applications, the agency must run a list of approved at-risk clients and apply the $60 to homeowners only.

Allowable Weatherization Activities: Agencies will use the same eligibility and service standards set forth by the Low Income Weatherization Assistance Program that is funded with LIHEAP funds.

Leveraging Fund: Each agency will receive funding toward leveraging types of activities. IHCDA will use the 2010 Census data to distribute funds. These funds can be used for the following activities: deposits, reconnection fees, and fees associated with changing or adding a household resident to the utility bill. In addition, funds may be used to provide crisis assistance up to $150. The agencies can provide assistance toward any balance that is not covered by the regular and crisis assistance provided by the LIHEAP funds. For unregulated utilities, agencies may not give a flat $150 to unregulated utilities without supporting documentation or to prevent a second request for funding. Crisis assistance from this fund must be provided at the time of application only. Agencies will add additional crisis assistance using "IHCDA Crisis" as the funding source.

Between March 16 and August 15, homeowners in crisis may request one additional crisis benefit up to $150. The homeowner must present documentation that justifies the additional crisis assistance.

1501.5 Contract Closeout

Agencies will receive a contract closeout form on September 1. Agencies must closeout and submit forms within 45 days of the end of the program year.

1501.6 Carryover Funds

Any funds that are not expended by the agency will be returned to the program and redistributed during the next program year. The agency will not carry over the funds in its budget during the next program year.